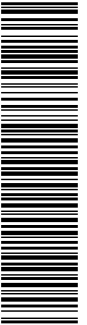


An act to amend Sections 7321.5, 7333, and 7334 of the Business and Professions Code, to amend Sections 8150, 8150.5, 8151, 8152, 8154, 8155, 10807, 10854, 14022.5, 21113, 44830, 45263, 48053, 51766, 51769, 53086, 69439, 75007, 76000, 76350, 79144, 79146, 79148, 79149, 79149.1, 79149.2, 79149.3, 79149.5, 79149.6, 84760.5, 84917, 84920, 88083, 88600, and 94874 of the Education Code, to amend Sections 7280.9, 8310.8, 11012, 11019, 11200, 11552, 12099.6, 12803.65, 12813, 20057, 65623, 65913.4, 66201, and 97012 of the Government Code, to amend Sections 25536.7, 44272, and 50955 of the Health and Safety Code, to amend Sections 19, 20, 56, 108.2, 108.3, 151, 1295, 1401, 1773.1, 1777.1, 1777.5, and 2855 of, to add Division 6 (commencing with Section 9200) to, and to repeal Chapter 4 (commencing with Section 3070) of Division 3 of, the Labor Code, to amend Sections 2716.5, 3007.05, 11105.9, and 13601 of the Penal Code, to amend Sections 2601, 6824, 10506.5, 10506.8, 20119.1, 20155.1, and 20928.2 of the Public Contract Code, to amend Sections 14302.5, 25943, 26227.2, 26230, 26235, and 26240 of the Public Resources Code, to amend Section 202 of the Revenue and Taxation Code, to amend Section 2038 of the Streets and Highways Code, to amend Sections 1095 and 1269 of, to repeal Sections 14000, 14002, 14003, 14004, 14030, 14031, 14032, 14033, 14034, 14035, 14036, and 14038 of, and to repeal Division 3 (commencing with Section 9000), Chapter 2 (commencing with Section 14005) of Division 7, Article 1 (commencing with Section 14010) of Chapter 3 of Division 7, Article 2 (commencing with Section 14020) of Chapter 3 of Division 7, Article 4 (commencing with Section 14040) of Chapter 3 of Division 7, Article 5 (commencing with Section 14100) of Chapter 3 of Division 7, Chapter 4 (commencing with Section 14200) of Division 7, Chapter 5 (commencing with Section 14500) of Division 7, Division 8 (commencing with Section 15000), Division 9 (commencing with Section 17000), and Division 10 (commencing with Section 18000) of, the Unemployment Insurance Code, and to amend Section 18901.11 of the Welfare and Institutions Code, relating to the Department of Better Jobs and Higher Wages.



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 7321.5 of the Business and Professions Code is amended to read:

7321.5. The board shall admit to examination for a license as a barber to practice barbering, any person who has made application to the board in proper form, paid the fee required by this chapter, and is qualified as follows:

- (a) Is not less than 17 years of age.
- (b) Has completed the 10th grade in the public schools of this state or its equivalent.
- (c) Is not subject to denial pursuant to Section 480.
- (d) Has done any of the following:
 - (1) Completed a course in barbering from a school approved by the board.
 - (2) Completed an apprenticeship program in barbering approved by the board as conducted under the provisions of the Shelley-Maloney Apprentice Labor Standards Act of 1939, Chapter 4 (commencing with Section 3070) of Division 3 1939 (Part 4 (commencing with Section 9500) of Division 6 of the Labor Code, Code).
 - (3) Practiced barbering as defined in this chapter outside of this state for a period of time equivalent to the study and training of a qualified person who has completed a course in barbering from a school the curriculum of which complied with requirements adopted by the board. Each three months of practice shall be deemed the equivalent of 100 hours of training for qualification under paragraph (1).
 - (4) Holds a license as a cosmetologist in this state and has completed a barber crossover course in a school approved by the board.
 - (5) Completed a cosmetology course in a school approved by the board and has completed a barber crossover course in a school approved by the board.
 - (6) Completed comparable military training as documented by submission of Verification of Military Experience and Training (V-MET) records.

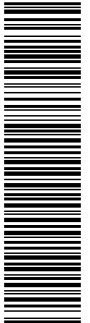
SEC. 2. Section 7333 of the Business and Professions Code is amended to read:

7333. The apprentice training program shall be conducted in compliance with the Shelley-Maloney Apprentice Labor Standards Act of 1939, Chapter 4 (commencing with Section 3070) of Division 3 1939 (Part 4 (commencing with Section 9500) of Division 6 of the Labor Code, Code) according to apprenticeship standards approved by the administrator of apprenticeship. A copy of the act shall be maintained on file with the board.

SEC. 3. Section 7334 of the Business and Professions Code is amended to read:

7334. (a) The board may license as an apprentice in barbering, cosmetology, skin care, or nail care any person who has made application to the board upon the proper form, has paid the fee required by this chapter, and who is qualified as follows:

- (1) Is over 16 years of age.
- (2) Has completed the 10th grade in the public schools of this state or its equivalent.
- (3) Is not subject to denial pursuant to Section 480.
- (4) Has submitted evidence acceptable to the board that any training the apprentice is required by law to obtain shall be conducted in a licensed establishment and under the supervision of a licensee approved by the board.



(b) The board may license as an apprentice in electrolysis any person who has made application to the board upon the proper form, has paid the fee required by this chapter, and who is qualified as follows:

- (1) Is not less than 17 years of age.
- (2) Has completed the 12th grade or an accredited senior high school course of study in schools of this state or its equivalent.
- (3) Is not subject to denial pursuant to Section 480.
- (4) Has submitted evidence acceptable to the board that any training the apprentice is required by law to obtain shall be conducted in a licensed establishment and under the supervision of a licensee approved by the board.

(c) All persons making application as an apprentice in barbering shall also complete a minimum of 39 hours of preapprentice training in a facility approved by the board prior to serving the general public.

(d) All persons making application as an apprentice in cosmetology, skin care, nail care, or electrology shall also complete minimum preapprentice training for the length of time established by the board in a facility approved by the board prior to serving the general public.

(e) Apprentices may only perform services on the general public for which they have received technical training.

(f) Apprentices shall be required to obtain at least the minimum hours of technical instruction and minimum number of practical operations for each subject as specified in board regulations for courses taught in schools approved by the board, in accordance with Sections ~~3074 and 3078~~ 9513 and 9527 of the Labor Code.

SEC. 4. Section 8150 of the Education Code is amended to read:

8150. (a) The Chancellor of the California Community Colleges shall be responsible for allocating funds for apprenticeship programs in good standing and approved pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6~~ of the Labor Code for the secondary education system.

(b) Upon an appropriation by the Legislature, the Chancellor of the California Community Colleges shall allocate funds solely for the purposes of this article consistent with the subdivision (e) of Section 8152.

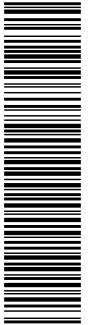
(c) For purposes of this article, a "local educational agency" is defined as a school district or a county office of education.

SEC. 5. Section 8150.5 of the Education Code is amended to read:

8150.5. Attendance of apprentices enrolled in any class maintained by a local educational agency, pursuant to ~~Section 3074~~ 9513 of the Labor Code, shall be reimbursed pursuant to Section 8152 only if reported separately to the Chancellor of the California Community Colleges. Attendance reported pursuant to this section shall be used only for purposes of calculating allowances pursuant to Section 8152.

SEC. 6. Section 8151 of the Education Code is amended to read:

8151. An apprentice or preapprentice attending a local educational agency in classes of instruction pursuant to approved standards, as provided under ~~Section 3074~~ 9513 of the Labor Code and in accordance with the requirements of subdivision (d) of ~~Section 3078~~ 9527 of the Labor Code, or as authorized under ~~Section 3100~~ 9545 of the Labor Code, shall be exempt from the requirements of any interdistrict attendance agreement for those classes.



SEC. 7. Section 8152 of the Education Code is amended to read:

8152. (a) The reimbursement rate for related and supplemental instruction reimbursed pursuant to this article shall be established in the annual Budget Act and the rate shall be commonly applied to all providers of instruction specified in subdivision (d).

(b) For purposes of this section, each hour of teaching time may include up to 10 minutes of passing time and breaks.

(c) This section also applies to isolated apprentices, as defined in Section 3074 9513 of the Labor Code, for which alternative methods of instruction are provided.

(d) The Chancellor of the California Community Colleges shall make the reimbursements specified in this section for teaching time provided by local educational agencies.

(e) The hours for related and supplemental instruction derived from funds appropriated pursuant to subdivision (b) of Section 8150 shall be allocated by the Chancellor of the California Community Colleges directly to participating local educational agencies that contract with apprenticeship programs pursuant to subdivision (f).

(f) Reimbursements may be made under this section for related and supplemental instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages in accordance with ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6~~ of the Labor Code.

(g) The initial allocation of hours made pursuant to subdivision (e) for related and supplemental instruction at the beginning of a fiscal year, when multiplied by the hourly reimbursement rate, shall equal 100 percent of the total appropriation for apprenticeships. The Chancellor of the California Community Colleges shall notify participating local educational agencies of the initial allocation within 30 days of the enactment of the annual Budget Act.

(h) (1) If funds remain from the appropriation pursuant to subdivision (b) of Section 8150, the Chancellor of the California Community Colleges shall reimburse local educational agencies for unfunded related and supplemental instruction hours from any of the three previous fiscal years, in the following order:

(A) Reported related and supplemental instruction hours, as described in subdivision (b) of Section 8154, that were paid at a rate less than the hourly rate specified in the Budget Act.

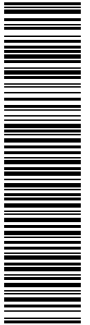
(B) Reported related and supplemental instruction hours that were not reimbursed.

(2) The Chancellor of the California Community Colleges shall notify the California Apprenticeship Council of any reimbursements made pursuant to paragraph (1).

(i) The Chancellor of the California Community Colleges shall report to the California Apprenticeship Council within 30 days of each apportionment period the following information for each participating local educational agency:

(1) The number of related and supplemental instruction hours allocated to the local educational agency.

(2) The number of related and supplemental instruction hours reported by the local educational agency.



(3) At the final or recalculation apportionment, the hourly rate paid for related and supplemental instruction hours reported above the local educational agency's initial allocation of hours for related and supplemental instruction.

SEC. 8. Section 8154 of the Education Code is amended to read:

8154. (a) The Chancellor of the California Community Colleges, in consultation with the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, the California Apprenticeship Council, and the Superintendent, shall annually review the amount of state funding necessary to provide the reimbursements specified in Section 8152, and shall include an estimate of required funds in its budget for each fiscal year.

(b) If the amounts appropriated in any fiscal year are insufficient to provide full reimbursement, the hourly rate specified pursuant to Section 8152 shall be reduced on a pro rata basis only for reported hours that are in excess of the number of hours allocated at the beginning of the fiscal year so that the entire appropriation is allocated.

(c) If the amount appropriated is in excess of the amounts needed for full reimbursement pursuant to subdivision (h) of Section 8152, any excess shall be allocated to local educational agencies to be used for the purpose of the state general apportionment.

SEC. 9. Section 8155 of the Education Code is amended to read:

8155. (a) The Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, in consultation with the Superintendent, shall jointly develop a model format for agreements between apprenticeship programs and local educational agencies for instruction pursuant to Section ~~3074~~ 9513 of the Labor Code.

(b) By March 14, 2014, the Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, with equal participation by local educational agencies and community college apprenticeship administrators, shall develop common administrative practices and treatment of costs and services, as well as other policies related to apprenticeship programs. Any policies developed pursuant to this subdivision shall become operative upon approval by the California Apprenticeship Council.

(c) Apprenticeship programs offered through local educational agencies may maintain their existing curriculum and instructors separate from the requirements of the California Community Colleges. The person providing instruction may be a qualified journey person with experience and knowledge of the trade.

SEC. 10. Section 10807 of the Education Code is amended to read:

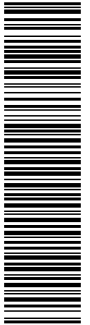
10807. The department, the University of California, the California State University, the Chancellor of the California Community Colleges, the Commission on Teacher Credentialing, the Employment Development Department, the Department of Better Jobs and Higher Wages, and the California School Information Services established in Section 49081 may enter into interagency agreements in order to facilitate all of the following:

(a) The implementation of a comprehensive longitudinal education data system for California.

(b) The transfer of data from one educational segment to another.

(c) The transfer of workforce data to the educational segments.

SEC. 11. Section 10854 of the Education Code is amended to read:



10854. (a) (1) On or before July 15, 2019, the executive director of the state board shall designate a representative to serve on the workgroup.

(2) On or before July 15, 2019, the State Department of Education shall designate representatives, including one representative from the divisions responsible for early learning activities and educational data reporting, for a total of no more than three representatives, to serve on the workgroup.

(3) On or before July 15, 2019, the following entities shall each designate one representative to serve on the workgroup:

- (A) The Office of the Chancellor of the California Community Colleges.
- (B) The University of California.
- (C) The California State University.
- (D) The Commission on Teacher Credentialing.
- (E) The executive director of the Student Aid Commission on behalf of the commission.

- (F) The Employment Development Department.
 - (G) The Labor and Workforce Development Agency.
 - (H) The California Health and Human Services Agency.
 - (I) The State Department of Social Services.
 - (J) The Department of Technology.
 - (K) The Bureau for Private Postsecondary Education.
 - (L) The Department of Better Jobs and Higher Wages.
- (4) On or before July 15, 2019, the Association of Independent California Colleges and Universities shall designate one representative to serve on the workgroup.

(5) On or before July 15, 2019, California School Information Services shall designate one representative to serve on the workgroup.

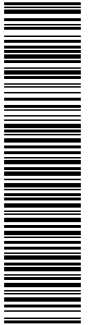
(6) Each of the entities listed in paragraphs (3) to (5), inclusive, shall also bring an appropriate data expert to consult with the workgroup.

(7) In meeting the requirements of paragraph (3), the Labor and Workforce Development Agency may designate its representative from an appropriate department overseen by the Labor and Workforce Development Agency, provided that it does not designate another representative from the Employment Development ~~Department~~ Department or the Department of Better Jobs and Higher Wages.

(8) In meeting the requirements of paragraph (3), the California Health and Human Services Agency may designate its representative from an appropriate department overseen by the California Health and Human Services Agency, provided that it does not designate another representative from the State Department of Social Services.

(b) Each entity with a representative serving on the workgroup pursuant to subdivision (a) other than the University of California shall, and the University of California is requested to, collaborate with its respective constituents and represent its field and stakeholders in performing workgroup functions. For purposes of this subdivision, constituents and stakeholders may include, but are not limited to, potential end users of the data system and individuals impacted by the programs or services about which data may be collected within the data system.

(c) Once established, the workgroup shall adopt, with the approval of the director, conflict-of-interest guidelines that prohibit a member from advocating for an expenditure or recommendation in which the member has a professional or economic interest.



SEC. 12. Section 14022.5 of the Education Code is amended to read:

14022.5. (a) For purposes of Section 8.5 of Article XVI of the California Constitution, the term “enrollment” shall have the following meaning for school districts, community college districts, and state agencies providing direct elementary and secondary level instructional services:

(1) In school districts:

(A) The average daily attendance of each school district reported for the second principal apportionment pursuant to Section 41601.

(B) The annual average daily attendance for adult education programs and classes, as determined under subdivision (d) of Section 41601.

(C) The annual average daily attendance for regional occupational centers and programs, as determined under subdivision (d) of Section 41601.

(D) The average daily attendance of apprentices enrolled in any class and reported pursuant to Section 8150, except that one unit of average daily attendance, for purposes of this paragraph, shall equal 525 hours of apprenticeship instruction in an apprenticeship program operated pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

(E) (i) The annual average daily attendance for children enrolled in a state preschool program under the Child Care and Development Services Act (Chapter 2 (commencing with Section 8200) of Part 6), except that one unit of average daily attendance, for purposes of this clause, shall equal 700 hours of preschool services.

(ii) The annual average daily attendance for children enrolled in any other program under the Child Care and Development Services Act (Chapter 2 (commencing with Section 8200) of Part 6), except that one unit of average daily attendance, for purposes of this clause, shall equal 250 days of services. For the purposes of this clause, less than four hours per day of services shall be defined as one-half day, from four up to six and one-half hours per day shall be defined as three-fourths day, and six and one-half hours or more per day shall be defined as one full day.

(F) The annual average daily attendance of pupils enrolled in summer school, computed pursuant to Section 42239, except that one unit of average daily attendance shall equal 700 hours of summer school instruction in an approved summer school program.

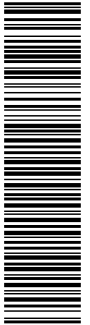
(G) The annual average daily attendance for pupils enrolled in an educational program offered by a county office of education, as determined pursuant to subdivisions (b) and (c) of Section 41601.

(2) In community college districts:

(A) The annual average daily attendance of a community college district computed pursuant to Chapter 4 (commencing with Section 84500) of Part 50, until Section 84750 becomes operative, and thereafter the number of full-time equivalent students as computed pursuant to Section 84750.

(B) The annual average daily attendance for evening community college programs designated as adult schools pursuant to Section 78401, as determined pursuant to Section 78405.

(C) The annual average daily attendance of apprentices enrolled in any class and reported pursuant to Section 8150, except that one unit of average daily attendance, for purposes of this paragraph, shall equal 525 hours of apprenticeship instruction in



an apprenticeship program operated pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

(3) In state agencies that provide direct elementary and secondary level instructional services:

(A) The annual average daily attendance equivalent for pupils enrolled in the State Schools for the Handicapped pursuant to Part 32 (commencing with Section 59000).

(B) The annual average daily attendance equivalent for pupils attending an educational program administered by the Department of the Youth Authority pursuant to Article 6 (commencing with Section 1120) and Article 10 (commencing with Section 1250) of Part 1 of Division 2 of Chapter 3 of the Welfare and Institutions Code.

(C) The annual average daily attendance equivalent for pupils in the state hospitals operated by the State Department of Developmental Services pursuant to Chapter 8 (commencing with Section 56850) of Part 30.

(b) Any determination or computation of enrollment for purposes of this section shall be based upon actual data from prior years. For the next succeeding year, any determination or computation of enrollment for purposes of this section shall be the estimated enrollment, adjusted as actual data become available.

(c) This section shall remain in effect only until July 1, 1990, and as of that date is repealed, unless Senate Constitutional Amendment No. 1 is ratified by the voters at the statewide election to be held on June 5, 1990.

SEC. 13. Section 21113 of the Education Code is amended to read:

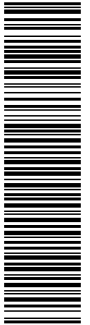
21113. The grantor may provide in the grant that the trustees and their successors, may, in the name of the institution, become the custodian of the person of minors. When any such provision is made in a grant, the trustees and their successors may take the custody and control in the manner and for the time and in accordance with the provisions of ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

SEC. 14. Section 44830 of the Education Code is amended to read:

44830. (a) The governing board of a school district shall employ for positions requiring certification qualifications, only persons who possess the qualifications for those positions prescribed by law. It is contrary to the public policy of this state for a person or persons charged, by the governing boards, with the responsibility of recommending persons for employment by the boards to refuse or to fail to do so for reasons of race, color, religious creed, sex, or national origin of the applicants for that employment.

(b) The governing board of a school district shall not initially hire on a permanent, temporary, or substitute basis a certificated person seeking employment in the capacity designated in ~~his or her~~ their credential unless that person has demonstrated basic skills proficiency as provided in Section 44252.5 or is exempted from the requirement by subdivision (c), (d), (e), (f), (g), (h), (i), (j), or (k).

(1) The governing board of a school district, with the authorization of the Commission on Teacher Credentialing, may administer the state basic skills proficiency test required under Sections 44252 and 44252.5.



(2) The Superintendent, in conjunction with the commission and local governing boards, shall take steps necessary to ensure the effective implementation of this subdivision.

It is the intent of the Legislature that in effectively implementing this subdivision, the governing boards of school districts shall direct superintendents of schools to prepare for emergencies by developing a pool of qualified emergency substitute teachers. This preparation shall include public notice of the test requirements and of the dates and locations of administrations of the tests. The governing board of a school district shall make special efforts to encourage individuals who are known to be qualified in other respects as substitutes to take the state basic skills proficiency test at its earliest administration.

(3) Demonstration of proficiency in reading, writing, and mathematics by a person pursuant to Section 44252 satisfies the requirements of this subdivision.

(c) A certificated person is not required to take the state basic skills proficiency examination if ~~he or she has~~ they have taken and passed it at least once, achieved a passing score on any of the tests specified in subdivision (b) of Section 44252, or possessed a credential before the enactment of the statute that made the test a requirement.

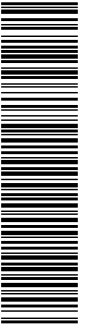
(d) This section does not require a person employed solely for purposes of teaching adults in an apprenticeship program, approved by the Apprenticeship Standards Division of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, to pass the state proficiency assessment instrument as a condition of employment.

(e) This section does not require the holder of a child care permit or a permit authorizing service in a development center for the handicapped to take the state basic skills proficiency test, so long as the holder of the permit is not required to have a baccalaureate degree.

(f) This section does not require the holder of a credential issued by the commission who seeks an additional credential or authorization to teach, to take the state basic skills proficiency test.

(g) This section does not require the holder of a credential to provide service in the health profession to take the state basic skills proficiency test if that person does not teach in the public schools.

(h) This section does not require the holder of a designated subjects special subjects credential to pass the state basic skills proficiency test as a condition of employment unless the requirements for the specific credential require the possession of a baccalaureate degree. The governing board of each school district, or each governing board of a consortium of school districts, or each governing board involved in a joint powers agreement, which employs the holder of a designated subjects special subjects credential shall establish its own basic skills proficiency for these credentials and shall arrange for those individuals to be assessed. The basic skills proficiency criteria established by the governing board shall be at least equivalent to the test required by the district, or in the case of a consortium or a joint powers agreement, by any of the participating districts, for graduation from high school. The governing board or boards may charge a fee to individuals being tested to cover the costs of the test, including the costs of developing, administering, and grading the test.



(i) This section does not require the holder of a preliminary or clear designated subjects career technical education teaching credential to pass the state basic skills proficiency test.

(j) This section does not require certificated personnel employed under a foreign exchange program to take the state basic skills proficiency test. The maximum period of exemption under this subdivision shall be one year.

(k) Notwithstanding any other law, a school district or county office of education may hire certificated personnel who have not taken the state basic skills proficiency test if that person has not yet been afforded the opportunity to take the test. The person shall take the test at the earliest opportunity and may remain employed by the school district pending the receipt of ~~his or her~~ their test results.

SEC. 15. Section 45263 of the Education Code is amended to read:

45263. The commission may classify as apprentice positions certain positions where the principal requirement is that of learning to perform efficiently, by study and practice, specific duties concerning which a definite plan of systematic instruction and special supervision has been approved by the California Apprenticeship Council for a designated trade in the building and construction trades and for firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ Executive Director of Apprenticeship Standards within the Department of Better Jobs and Higher Wages, hereafter referred to in this chapter as “executive director,” for other designated trades.

The apprenticeship training plan adopted by the governing board of the school district must be approved by the California Apprenticeship Council for building and construction trades and for firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ executive director for other trades.

No assignment to any position classified as an apprentice position shall be allowed to continue beyond the predetermined apprenticeship period approved by the California Apprenticeship Council for the designated trade, except that the school district’s joint apprenticeship committee may approve retention of an employee as an apprentice up to six months beyond the predetermined apprentice period.

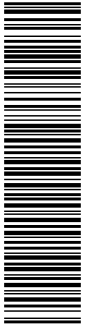
Selection of eligibles shall be made in accordance with their position on employment lists established by competitive or qualifying examinations.

The provisions of Section 45134 shall be applicable to apprentice positions, provided that relative age may be considered as a factor in the ranking of candidates for apprentice positions.

Credit for prior training in a regularly indentured apprenticeship program shall be given to qualified candidates.

In all cases of apprenticeship probationary periods, the standards of duration and qualifications shall be fixed by the commission insofar as they do not exceed the maximum standards set up by the California Apprenticeship Council for building and construction trades and for firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ executive director for other trades. Termination for cause may be prescribed for any apprentice who fails to attain the predetermined standards of apprenticeship or for causes as prescribed by the rules of the commission.

The commission shall recommend to the governing board a graduated scale of compensation rates for the various levels of apprentices, taking into consideration the



percentage relationship to the districts' journeyman wage of the trade as provided in the statement of policies of the ~~California Apprenticeship Council for building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ executive director for other trades.

The commission may determine that promotional examinations shall be held for entrance into various levels of apprentice positions and entrance into journeyman positions in a skilled trade.

SEC. 16. Section 48053 of the Education Code is amended to read:

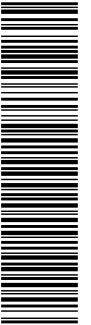
48053. Notwithstanding any other provisions of this code, and except as provided in Section ~~3074.7~~ 9516 of the Labor Code, no charges or fees of any kind shall be required to be paid by any apprentice, or by ~~his~~ their parents or guardian, for admission or attendance in any class in any school district which provides instruction under Section ~~3074~~ 9513 of the Labor Code in accord with the requirements of subdivision (d) of Section ~~3078~~ 9527 of that code.

SEC. 17. Section 51766 of the Education Code is amended to read:

51766. Work experience education involving apprenticeable occupations shall be consistent with the purposes of ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6 of the Labor Code~~ and with standards established by the California Apprenticeship Council for programs in the building and construction trades and for firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ Executive Director of Apprenticeship Standards within the Department of Better Jobs and Higher Wages for other programs.

SEC. 18. Section 51769 of the Education Code is amended to read:

51769. (a) Notwithstanding any provision of this code or the Labor Code to the contrary, the school district, county superintendent of schools, or any school administered by the State Department of Education, under whose supervision work experience education, cooperative vocational education, or community classrooms, as defined by regulations adopted by the Superintendent, or a job shadowing experience, as defined in subdivision (b), or student apprenticeship programs registered by the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages for registered student apprentices, are provided, shall be considered the employer under Division 4 (commencing with Section 3200) of the Labor Code of persons receiving this training unless the persons during the training are being paid a cash wage or salary by a private employer, except in the case of registered student apprentices, when the school district, county superintendent of schools, or any school administered by the State Department of Education elects to provide workers' compensation insurance, or unless the person or firm under whom the persons are receiving work experience or occupational training elects to provide workers' compensation insurance. A registered student apprentice is a registered apprentice who is (1) at least 16 years of age, (2) a full-time high school pupil in the 10th, 11th, or 12th grade, and (3) in an apprenticeship program for registered student apprentices registered with the Division of Apprenticeship Standards. An apprentice, while attending related and supplemental instruction classes, shall be considered to be in the employ of the apprentice's employer and not subject to this section, unless the apprentice is unemployed. Whenever this work experience education, cooperative vocational education, community classroom education, or job shadowing, or student



apprenticeship program registered by the Division of Apprenticeship Standards for registered student apprentices, is under the supervision of a regional occupational center or program operated by two or more school districts pursuant to Section 52301, the district of residence of the persons receiving the training shall be deemed the employer for the purposes of this section.

(b) For purposes of this section, "job shadowing experience" means a visit to a workplace for the purpose of career exploration for no less than three hours and no more than 25 hours in one semester, intersession, or summer school session.

(c) Notwithstanding subdivision (b), a pupil may participate in a job shadowing experience for up to 40 hours in one semester, intersession, or summer school session if the principal of the school in which the pupil is enrolled certifies that it is necessary for the pupil's participation in a career technical education program.

SEC. 19. Section 53086 of the Education Code is amended to read:

53086. (a) There is in the department the California Career Resource Network Program, formerly called the California Occupational Information Coordinating Committee. This program is established for the purposes of Section 2328 of Title 20 of the United States Code, for the purposes of this article, and for other purposes authorized by the Legislature.

(b) The mission of the program is to provide all persons in California with career development information and resources to enable them to reach their career goals.

(c) The primary duty of the program is to distribute career information, resources, and training materials to middle school and high school counselors, educators, and administrators, in order to ensure that middle schools and high schools have the necessary information available to provide a pupil with guidance and instruction on education and job requirements necessary for career development.

(d) Information and resources distributed by the program shall provide all of the following:

- (1) Encouragement to completing a secondary education.
- (2) Career exploration tools, provided in written and multimedia format, that offer an introduction to the nature of career planning, self-assessment, methods of investigating the work world, methods of identifying and meeting education and training needs, and methods of creating a career action plan.
- (3) Relevant information on the labor market and career opportunities.
- (4) Assistance to a pupil in the acquisition and development of career competencies including the appropriate skills, attitudes, and knowledge to allow a pupil to successfully manage ~~his or her~~ their career.

(e) (1) There is hereby established the State Agency Partners Committee composed of the following members or their designees:

(A) The Director of ~~Employment Development~~, the Department of Better Jobs and Higher Wages.

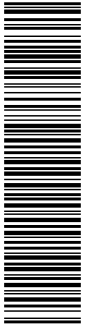
(B) The Superintendent of Public Instruction.

(C) The Chancellor of the California Community Colleges.

(D) The Director of Rehabilitation.

(E) The Director of Social Services.

(F) The Executive Director of the California Workforce ~~Investment~~ Development Board.



(G) The Director of the Division of Adult Institutions in the Department of Corrections and Rehabilitation.

(H) The Director of the Division of Juvenile Justice in the Department of Corrections and Rehabilitation.

(I) The Director of Developmental Services.

(2) The State Agency Partners Committee shall coordinate the use of network information and resources in programs that are implemented by the entities that the members of the committee represent.

(f) The program shall perform its duties only upon funding provided in the annual Budget Act.

SEC. 20. Section 69439 of the Education Code is amended to read:

69439. (a) For the purposes of this section, the following terms have the following meanings:

(1) "Career pathway" has the same meaning as set forth in Section 88620.

(2) "Economic security" has the same meaning as set forth in Section 14005 of the Unemployment Insurance Code.

(3) "Industry cluster" has the same meaning as set forth in Section 88620.

(4) "Long-term unemployed" means, with respect to an award applicant, a person who has been unemployed for more than 26 weeks at the time of submission to the commission of ~~his or her~~ their application.

(5) "Occupational or technical training" means that phase of education coming after the completion of a secondary school program and leading toward recognized occupational goals approved by the commission.

(b) A Cal Grant C award shall be utilized only for occupational or technical training in a course of not less than four months. There shall be the same number of Cal Grant C awards each year as were made in the 2000–01 fiscal year. The maximum award amount and the total amount of funding shall be determined each year in the annual Budget Act.

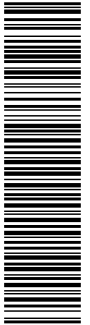
(c) The commission may use criteria it deems appropriate in selecting students to receive grants for occupational or technical training and shall give special consideration to the social and economic situations of the students applying for these grants, giving additional weight to disadvantaged applicants, applicants who face economic hardship, and applicants who face particular barriers to employment. Criteria to be considered for these purposes shall include, but are not limited to, all of the following:

(1) Family income and household size.

(2) Student's or the students' parent's household status, including whether the student is a single parent or child of a single parent.

(3) The employment status of the applicant and whether the applicant is unemployed, giving greater weight to the long-term unemployed.

(d) The Cal Grant C award recipients shall be eligible for renewal of their grants until they have completed their occupational or technical training in conformance with terms prescribed by the commission. A determination by the commission for a subsequent award year that the program under which a Cal Grant C award was initially awarded is no longer deemed to receive priority shall not affect an award recipient's renewal. In no case shall the grants exceed two calendar years.



(e) Cal Grant C awards may be used for institutional fees, charges, and other costs, including tuition, plus training-related costs, such as special clothing, local transportation, required tools, equipment, supplies, technology, books, and living expenses. In determining the individual award amounts, the commission shall take into account the financial means available to the student to fund ~~his or her~~ their course of study and costs of attendance as well as other state and federal programs available to the applicant.

(f) (1) To ensure alignment with the state's dynamic economic needs, the commission, in consultation with appropriate state and federal agencies, including the Economic and Workforce Development Division of the Office of the Chancellor of the California Community Colleges and the California Workforce ~~Investment Development~~ Board, shall identify areas of occupational and technical training for which students may utilize Cal Grant C awards. The commission, to the extent feasible, shall also consult with representatives of the state's leading competitive and emerging industry clusters, workforce professionals, and career technical educators, to determine which occupational training programs and industry clusters should be prioritized.

(2) (A) Except as provided in subparagraph (B), the areas of occupational and technical training developed pursuant to paragraph (1) shall be regularly reviewed and updated at least every five years, beginning in 2012.

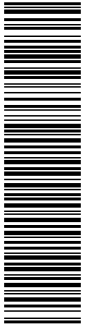
(B) By January 1, 2016, the commission shall update the priority areas of occupational and technical training.

(3) (A) The commission shall give priority in granting Cal Grant C awards to students pursuing occupational or technical training in areas that meet two of the following criteria pertaining to job quality:

- (i) High employer need or demand for the specific skills offered in the program.
- (ii) High employment growth in the occupational field or industry cluster for which the student is being trained.
- (iii) High employment salary and wage projections for workers employed in the occupations for which they are being trained.
- (iv) The occupation or training program is part of a well-articulated career pathway to a job providing economic security.

(B) To receive priority pursuant to subparagraph (A), at least one of the criteria met shall be specified in clause (iii) or (iv) of that subparagraph.

(g) The commission shall determine areas of occupational or technical training that meet the criteria described in paragraph (3) of subdivision (f) in consultation with the ~~Employment Development Department~~, Department of Better Jobs and Higher Wages, the Economic and Workforce Development Division of the Office of the Chancellor of the California Community Colleges, and the California Workforce ~~Investment Development~~ Board using projections available through the Labor Market Information Data Library. The commission may supplement the analyses of the ~~Employment Development Department's~~ Department of Better Jobs and Higher Wages' Labor Market Information Data Library with the labor market analyses developed by the Economic and Workforce Development Division of the Office of the Chancellor of the California Community Colleges and the California Workforce ~~Investment Development~~ Board, as well as the projections of occupational shortages and skills gap developed by industry leaders. The commission shall publish, and retain, on its ~~Internet Web site~~ internet website a current list of the areas of occupational or technical



training that meet the criteria described in paragraph (3) of subdivision (f), and update this list as necessary.

(h) Using the best available data, the commission shall examine the graduation rates and job placement data, or salary data, of eligible programs. Commencing with the 2014–15 academic year, the commission shall give priority to Cal Grant C award applicants seeking to enroll in programs that rate high in graduation rates and job placement data, or salary data.

(i) (1) The commission shall consult with the ~~Employment Development Department, Department of Better Jobs and Higher Wages, the Office of the Chancellor of the California Community Colleges, the California Workforce Investment Development Board, and the local workforce investment development boards~~ to develop a plan to publicize the existence of the grant award program to California's long-term unemployed to be used by those consulting agencies when they come in contact with members of the population who are likely to be experiencing long-term unemployment. The outreach plan shall use existing administrative and service delivery processes making use of existing points of contact with the long-term unemployed. The local ~~workforce investment development~~ boards are required to participate only to the extent that the outreach efforts are a part of their existing responsibilities under the federal ~~Workforce Investment Act of 1998 (Public Law 105-220). Innovation and Opportunity Act (Public Law 113-128).~~

(2) The commission shall consult with the ~~Workforce Services Branch of the Employment Development Department, Department of Better Jobs and Higher Wages, the Office of the Chancellor of the California Community Colleges, the California Workforce Investment Development Board, and the local workforce investment development boards~~ to develop a plan to make students receiving awards aware of job search and placement services available through the ~~Employment Development Department, Department of Better Jobs and Higher Wages and the local workforce investment development boards~~. Outreach shall use existing administrative and service delivery processes making use of existing points of contact with the students. The local ~~workforce investment development~~ boards are required to participate only to the extent that the outreach efforts are a part of their existing responsibilities under the federal ~~Workforce Investment Act of 1998 (Public Law 105-220). Innovation and Opportunity Act (Public Law 113-128).~~

(j) (1) The Legislative Analyst's Office shall submit a report to the Legislature on the outcomes of the Cal Grant C program on or before April 1, 2019. This report shall include, but not necessarily be limited to, information on all of the following:

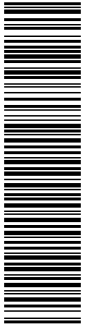
(A) The age, gender, and segment of attendance for recipients in two prior award years.

(B) The occupational and technical training program categories prioritized.

(C) The number and percentage of students who received selection priority as defined in paragraph (3) of subdivision (f).

(D) The extent to which recipients in these award years were successfully placed in jobs that meet local, regional, or state workforce needs.

(2) For the report submitted pursuant to paragraph (1), the Legislative Analyst's Office shall include data for two additional prior award years and shall compare the mix of occupational and technical training programs and institutions in which Cal Grant C award recipients enrolled before and after implementation of subdivision (f).



(3) Notwithstanding Section 10231.5 of the Government Code, the commission shall submit a report to the Legislature on or before April 1, 2021, and on or before April 1 of each odd-numbered year thereafter, that includes the information specified in paragraph (1).

(4) A report to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 21. Section 75007 of the Education Code is amended to read:

75007. (a) The college shall be developed and guided by principles and procedures established by the chancellor's office, as referenced in Section 75001.

(b) (1) The college shall seek accreditation and meet requirements for students to become eligible for federal and state financial aid.

(A) The college shall provide the Department of Finance and the Legislature with all of the following:

(i) An accreditation plan that, at a minimum, identifies an accrediting agency recognized by the United States Department of Education from which the college will seek accreditation, and outlines the process by which the college will achieve accreditation candidacy or preaccreditation by April 1, 2022, and full accreditation by April 1, 2025. This plan shall be provided on or before April 1, 2021.

(ii) Evidence of having achieved accreditation candidacy or preaccreditation from an accrediting agency recognized by the United States Department of Education on or before April 1, 2022.

(iii) Evidence of having obtained full accreditation from an accrediting agency recognized by the United States Department of Education on or before April 1, 2025.

(2) While the college is seeking accreditation, the Workforce Development Board and the ~~Employment Development Department~~ Department of Better Jobs and Higher Wages shall determine whether the programs offered by the online college have job market value to California industries by utilizing existing programmatic review processes.

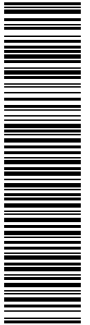
(3) The college shall explore a process for allowing students to retroactively obtain credit units upon demonstrated mastery of competencies for programs completed while the college was seeking accreditation. It is the intent of the Legislature that the college reimburse students for any fees charged if the college fails to meet accreditation standards.

(4) The college shall inform potential and enrolled students regarding the implications of taking courses prior to accreditation and how the college will help students rectify this issue in the future.

(c) In meeting the requirements of paragraph (4) of subdivision (b) of Section 75003, the California Online Community College shall comply with collective bargaining pursuant to paragraph (2) of subdivision (f) of Section 70901. It is the intent of the Legislature that faculty recruitment efforts for the college will focus on California residents who meet the minimum qualifications to be employed at a California community college, or individuals with experience within the California Community Colleges system.

(d) The college shall be subject to the same competitive bidding and state contracting requirements that apply to California community college districts.

(e) Curricular issues, such as establishment of enrollment caps for courses, shall be subject to the same approval processes that apply to California community college



districts. The curriculum developed by the California Online Community College and its faculty shall have the same protections granted to all curriculum developed by other California Community Colleges.

(f) It is the intent of the Legislature that any general-purpose apportionment apportioned to the college be subject to the regulatory frameworks of shared governance pursuant to paragraph (7) of subdivision (b) of Section 70902 and the Full-Time Faculty Obligation Number established in Section 51025 of Title 5 of the California Code of Regulations.

SEC. 22. Section 76000 of the Education Code is amended to read:

76000. The governing board of a community college district shall admit to the community college any California resident, and may admit any nonresident, possessing a high school diploma or the equivalent thereof.

The governing board may admit to the community college any apprentice, as defined in Section ~~3077~~ 9525 of the Labor Code, who, in the judgment of the governing board, is capable of profiting from the instruction offered.

The governing board may by rule determine whether there shall be admitted to the community college any other person who is over 18 years of age and who, in the judgment of the board, is capable of profiting from the instruction offered. If the governing board determines to admit other persons, those persons shall be admitted as provisional students and thereafter shall be required to comply with the rules and regulations prescribed by the board of governors pertaining to the scholastic achievement and other standards to be met by provisional or probationary students, as a condition to being readmitted in any succeeding semester. This paragraph shall not apply to persons in attendance in special classes and programs established for adults pursuant to Section 78401 or to any persons attending on a part-time basis only.

SEC. 23. Section 76350 of the Education Code is amended to read:

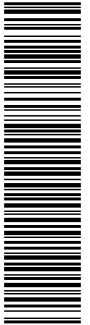
76350. Except as provided in Section ~~3074.7~~ 9516 of the Labor Code, no charges or fees shall be required to be paid by a resident or nonresident apprentice, or by ~~his or her~~ their parent or guardian, for admission or attendance in any course of activity or community college course that is offered pursuant to Section ~~3074~~ 9513 of the Labor Code in accordance with the instructional hours requirements and course requirements specified in Section ~~3078~~ 9527 of the Labor Code.

SEC. 24. Section 79144 of the Education Code is amended to read:

79144. For the purposes of this article, the following definitions shall apply:

(a) "Apprenticeship program standards" means the written document containing, among other things, all the terms and conditions for the qualification, recruitment, selection, employment and training, working conditions, wages, employee benefits, and other compensation for apprentices and all other provisions and statements, including attachments, as required by the Labor Code and by Chapter 2 (commencing with Section 200) of Division 1 of Title 8 of the California Code of Regulations, which, when approved by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~, Executive Director of Apprenticeship Standards within the Department of Better Jobs and Higher Wages, shall constitute registration of these standards and authority to conduct that program of apprenticeship in this state.

(b) "Apprenticeship training program" means a comprehensive plan containing, among other things, apprenticeship program standards, program regulations, related and supplemental instruction course outlines, and policy statements for the effective



administration of that apprenticeship training program, in accordance with Chapter 2 (commencing with Section 200) of Division 1 of Title 8 of the California Code of Regulations.

(c) "Internship training program" means a planned series of educational training activities, paid or unpaid, in a specific or general occupational field.

(d) "Preapprenticeship program" means a structured plan of training and studies based on industry standards that is designed to prepare individuals with the skills and competencies needed to enter an apprenticeship training program that has been approved pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4~~ (commencing with Section 9500) of Division 6 of the Labor Code.

SEC. 25. Section 79146 of the Education Code is amended to read:

79146. (a) To the extent sufficient resources exist, the board of governors may establish internship training programs and actively support apprenticeship and preapprenticeship training programs in collaboration with the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages. The board of governors may establish internship training programs pursuant to this section for only those occupations not covered by an apprenticeship training program approved by the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages before January 1, 1998.

(b) Funding allocated pursuant to Sections 79149, 79149.1, and 79149.3 shall exclusively be used for approved apprenticeship training programs and shall not be allocated for the purposes of preapprenticeship.

SEC. 26. Section 79148 of the Education Code is amended to read:

79148. To the extent that sufficient federal funds and other resources are available, the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages, in partnership with the California Community Colleges Chancellor's Office, shall develop and implement innovative apprenticeship and preapprenticeship training demonstration projects in high-growth industries in emerging and transitioning occupations that meet local labor market needs and that are validated by current labor market data.

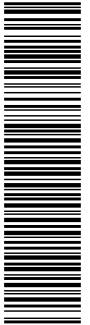
SEC. 27. Section 79149 of the Education Code is amended to read:

79149. (a) The Chancellor of the California Community Colleges shall be responsible for allocating funds for apprenticeship and preapprenticeship programs in good standing and approved pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6 of the Labor Code~~ for the community colleges.

(b) Upon appropriation by the Legislature, the Chancellor of the California Community Colleges shall allocate funds solely for the purposes of reimbursing community colleges pursuant to Section 79149.3.

SEC. 28. Section 79149.1 of the Education Code is amended to read:

79149.1. (a) Attendance of apprentices enrolled in any class offered for community college credit by a community college in collaboration with an apprenticeship program sponsor, pursuant to ~~Section 3074~~ 9513 of the Labor Code, may be reimbursed as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 or its successor section if such attendance is not reported pursuant to Section 79149.3. Attendance for an apprenticeship class reimbursed as part of the budget formula developed pursuant to paragraph (2) of subdivision (d)



of Section 84750.5 or its successor section shall be reported separately to the Chancellor of the California Community Colleges.

(b) Attendance of apprentices reimbursed pursuant to subdivision (a) shall be reimbursed based on the number of hours of instruction provided to indentured apprentices. The attendance hours generated by credit apprenticeship courses shall be funded at the marginal credit rate determined pursuant to paragraph (2) of subdivision (d) of Section 84750.5 or its successor section.

(c) For purposes of this section, each hour of teaching time may include up to 10 minutes of passing time and breaks.

(d) The attendance hours funded pursuant to subdivision (b) shall be allocated by the Chancellor of the California Community Colleges directly to participating community college districts that have a college or colleges that contract with apprenticeship programs pursuant to subdivision (e).

(e) Reimbursements may be made under this section for instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages in accordance with ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

(f) A community college that funds a class for the training of apprentices taught by an apprenticeship instructor other than a community college faculty member shall not claim reimbursement as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 or its successor section in accordance with subdivision (a) and instead shall claim reimbursement pursuant to Section 79149.3.

(g) A community college may limit enrollment in a community college course or course section reimbursed pursuant to this section solely to apprentices if that course or course section is required for those students as a part of a registered apprenticeship program with the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages.

(h) For each community college receiving reimbursement for apprenticeship hours pursuant to this section, the affected community college district shall report to the Chancellor of the California Community Colleges all of the following information, for each apportionment period:

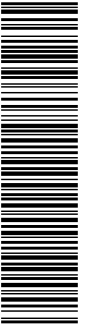
(1) The total number of full-time equivalent students generated by apprentices enrolled in community college apprenticeship courses that are reimbursed pursuant to this section.

(2) The total number of hours reimbursed for apprenticeship instruction pursuant to subdivision (b).

(3) The total amount of apportionment received for apprenticeship instruction reimbursed pursuant to this section.

(i) The Chancellor of the California Community Colleges shall report to the California Apprenticeship Council within 30 days of each apportionment period the following information, for each community college receiving reimbursement for apprenticeship instruction pursuant to this section:

(1) The number of apprenticeship instructional hours reported by and reimbursed to the community college as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 or its successor section.



(2) At the final or recalculation apportionment, the hourly rate equivalent of per full-time equivalent student funding paid for instructional hours reimbursed to the community college as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 or its successor section.

(3) The information reported to the Chancellor of the California Community Colleges pursuant to subdivision (h).

(j) The Board of Governors of the California Community Colleges shall include instructions necessary to enforce this section in the audit report required by Section 84040. The instructions shall include, but not necessarily be limited to, procedures for verifying if the hours for apprenticeship instruction reported to each community college district by each community college receiving reimbursements for apprenticeship hours, pursuant to this section, are eligible for reimbursement pursuant to this section.

(k) When a community college contracts with an apprenticeship program sponsor in the building and construction trades, pursuant to subdivision (e), the apprenticeship program sponsor must approve any decision to seek reimbursement for classes pursuant to this section rather than pursuant to Section 79149.3. A community college may not condition its willingness to contract with an apprenticeship program sponsor in the building and construction trades, or to grant community college credit for a class provided by such a program, on whether reimbursement may or will be sought pursuant to this section rather than pursuant to Section 79149.3.

SEC. 29. Section 79149.2 of the Education Code is amended to read:

79149.2. (a) An apprentice or preapprentice attending community college in classes of instruction pursuant to approved standards as provided pursuant to Section ~~3074~~ 9513 of the Labor Code and in accordance with subdivision (d) of Section ~~3078~~ 9527 of the Labor Code or as authorized under Section ~~3100~~ 9545 of the Labor Code, shall be exempt from the requirements of any interdistrict attendance agreement for those classes.

(b) A community college shall be exempt from Section 55301 of Title 5 of the California Code of Regulations when establishing an apprenticeship course or program outside the territory of its community college district for nonresidents of that district when the participants in the class are indentured apprentices and the apprenticeship course or program is approved by the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~. Better Jobs and Higher Wages.

SEC. 30. Section 79149.3 of the Education Code is amended to read:

79149.3. (a) The reimbursement rate for related and supplemental instruction reimbursed pursuant to this article shall be established in the annual Budget Act and the rate shall be commonly applied to all providers of instruction specified in subdivision (e).

(b) Attendance of apprentices enrolled in any class maintained by a community college, pursuant to Section ~~3074~~ 9513 of the Labor Code, shall be reimbursed pursuant to this section only if reported separately to the Chancellor of the California Community Colleges and not reported pursuant to Section 79149.1. Attendance reported pursuant to this section shall be used only for purposes of calculating allowances pursuant to this section.

(c) For purposes of this section, each hour of teaching time may include up to 10 minutes of passing time and breaks.



(d) This section also applies to isolated apprentices, as defined in Section 3074 9513 of the Labor Code, for which alternative methods of instruction are provided.

(e) The Chancellor of the California Community Colleges shall make the reimbursements specified in this section for teaching time provided by community colleges.

(f) The hours for related and supplemental instruction derived from funds appropriated pursuant to subdivision (b) of Section 79149 shall be allocated by the Chancellor of the California Community Colleges directly to participating community colleges that contract with apprenticeship programs pursuant to subdivision (g).

(g) Reimbursements may be made under this section for related and supplemental instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations Better Jobs and Higher Wages in accordance with Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

(h) The initial allocation of hours for related and supplemental instruction pursuant to subdivision (f) at the beginning of any fiscal year when multiplied by the hourly rate established in the Budget Act for that year shall equal 100 percent of total appropriation for apprenticeships. The Chancellor of the California Community Colleges shall notify participating community colleges of the initial allocation within 30 days of the enactment of the annual Budget Act.

(i) (1) If funds remain from the appropriation pursuant to subdivision (b) of Section 79149, the Chancellor of the California Community Colleges shall reimburse community colleges for unfunded related and supplemental instruction hours from any of the three previous fiscal years, in the following order:

(A) Reported related and supplemental instruction hours as described in subdivision (b) of Section 79149.5 that were paid at a rate less than the hourly rate specified in the Budget Act.

(B) Reported related and supplemental instruction hours that were not reimbursed.

(2) The Chancellor of the California Community Colleges shall notify the California Apprenticeship Council of any reimbursements made pursuant to paragraph (1).

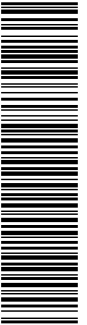
(j) The Chancellor of the California Community Colleges shall report to the California Apprenticeship Council within 30 days of each apportionment period the following information for each participating community college:

(1) The number of related and supplemental instruction hours allocated to the community college.

(2) The number of related and supplemental instruction hours reported by the community college.

(3) At the final or recalculation apportionment, the hourly rate paid for related and supplemental instruction hours reported above the community college's initial allocation of hours for related and supplemental instruction.

(k) The Board of Governors of the California Community Colleges shall include instructions necessary to enforce this article in the audit report required by Section 84040. The instructions shall include, but not necessarily be limited to, procedures for verifying if the hours for related and supplemental instruction reported to each



community college district by a participating apprenticeship program sponsor, pursuant to this section, are eligible for reimbursement pursuant to this section.

SEC. 31. Section 79149.5 of the Education Code is amended to read:

79149.5. (a) The Chancellor of the California Community Colleges, in consultation with the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, the California Apprenticeship Council, and the Superintendent, shall annually review the amount of state funding necessary to provide the reimbursements specified in Section 79149.3, and shall include an estimate of required funds in its budget for each fiscal year.

(b) If the amounts appropriated in any fiscal year are insufficient to provide full reimbursement, the hourly rate specified in Section 79149 shall be reduced on a pro rata basis only for reported hours that are in excess of the number of hours allocated at the beginning of the fiscal year so that the entire appropriation is allocated.

(c) If the amount appropriated is in excess of the amounts needed for full reimbursement pursuant to subdivision (h) of section 79149.3, any excess shall be allocated to community college districts to be used for the purpose of the state general apportionment.

SEC. 32. Section 79149.6 of the Education Code is amended to read:

79149.6. (a) The Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, in consultation with the Superintendent, shall jointly develop a model format for agreements between apprenticeship programs and community colleges for instruction pursuant to Section ~~3074~~ 9513 of the Labor Code.

(b) By March 14, 2014, the Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, with equal participation by local educational agencies and community college apprenticeship administrators, shall develop common administrative practices and treatment of costs and services, as well as other policies related to apprenticeship programs. Any policies developed pursuant to this subdivision shall become operative upon approval by the California Apprenticeship Council.

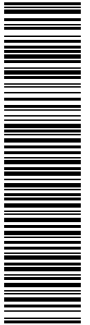
SEC. 33. Section 84760.5 of the Education Code is amended to read:

84760.5. (a) For purposes of this chapter, the following career development and college preparation courses and classes for which credit is not given, and that are offered in a sequence of courses leading to a certificate of completion, that lead to improved employability or job placement opportunities, or to a certificate of competency in a recognized career field by articulating with college-level coursework, completion of an associate of arts degree, or for transfer to a four-year degree program, are eligible for funding subject to subdivision (b):

(1) Classes and courses in elementary and secondary basic skills.

(2) Classes and courses for students, eligible for educational services in workforce preparation classes, in the basic skills of speaking, listening, reading, writing, mathematics, decisionmaking, and problem solving skills that are necessary to participate in job-specific technical training.

(3) Short-term vocational programs with high employment potential, as determined by the chancellor in consultation with the ~~Employment Development Department~~ Department of Better Jobs and Higher Wages utilizing job demand data provided by that department.



(4) Classes and courses in English as a second language and vocational English as a second language.

(b) The board of governors shall adopt criteria and standards for the identification of career development and college preparation courses and the eligibility of these courses for funding, including the definition of courses eligible for funding pursuant to subdivision (a). The criteria and standards shall be based on recommendations from the chancellor, the statewide academic senate, and the statewide association of chief instructional officers. The career and college preparation courses to be identified for this higher rate of funding should include suitable courses that meet one or more of the qualifications described in subdivision (a).

(c) A district that offers courses described in subdivision (a), but that is not eligible for funding under subdivision (b), shall be eligible for funding under Section 84757.

(d) The chancellor, in consultation with the Department of Finance and the Office of the Legislative Analyst, shall develop specific outcome measures for career development and college preparation courses for incorporation into the annual report required by subdivision (b) of Section 84754.5.

(e) The chancellor shall prepare and submit to the Department of Finance and the Legislature, on or before November 1 of each year, a report that details, at a minimum, the following:

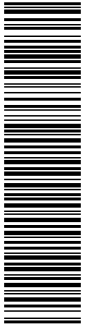
(1) The amount of FTES claimed by each community college district for career development and college preparation courses and classes.

(2) The specific certificate programs and course titles of career development and college preparation courses and classes receiving additional funding pursuant to this section, as well as the number of those courses and classes receiving additional funding.

SEC. 34. Section 84917 of the Education Code is amended to read:

84917. (a) To inform actions taken by the Governor and the Legislature related to adult education, the chancellor and the Superintendent shall report to the Director of Finance, the Statewide Director of Immigrant Integration, the State Board of Education, and, in conformity with Section 9795 of the Government Code, the Legislature about the use of the funds described in paragraph (5) of subdivision (b) of Section 84906 and outcomes for adults statewide and in each adult education region. The chancellor and the Superintendent shall provide preliminary reports on or before October 30 following each fiscal year for which funds are appropriated for the program and final reports on or before February 1 of the following year. Each report shall be based on all data available at the time of its submission. The report shall include at least all of the following:

- (1) A summary of the adult education plan operative for each consortium.
- (2) The distribution schedule for each consortium.
- (3) The types and levels of services provided by each consortium.
- (4) The effectiveness of each consortium in meeting the educational needs of adults in its respective region.
- (5) Any recommendations related to delivery of education, immigrant integration, and workforce services for adults, including recommendations related to improved alignment of state programs.



(b) (1) The chancellor and the Superintendent may require a consortium, as a condition of receipt of an apportionment, to submit any reports or data necessary to produce the report described in subdivision (a).

(2) The chancellor and the Superintendent shall align the data used to produce the report described in subdivision (a) with data reported by local educational agencies for other purposes, such as data used for purposes of the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(3) ~~The Employment Development Department and the California Workforce Investment Board~~ Department of Better Jobs and Higher Wages shall provide any assistance needed to align delivery of services across state and regional workforce, education, and job service programs.

SEC. 35. Section 84920 of the Education Code is amended to read:

84920. (a) To the extent that one-time funding is made available in the Budget Act of 2015, consistent with the provisions of Section 84917, the chancellor and the Superintendent shall identify common measures for determining the effectiveness of members of each consortium in meeting the educational needs of adults. At a minimum, the chancellor and the Superintendent shall accomplish both of the following:

(1) Define the specific data each consortium shall collect.

(2) Establish a menu of common assessments and policies regarding placement of adults seeking education and workforce services into adult education programs to be used by each consortium to measure educational needs of adults and the effectiveness of providers in addressing those needs.

(b) Consistent with the provisions of Section 84917, the chancellor and the Superintendent, with input from the Statewide Director of Immigrant Integration and adult education program providers, shall identify common measures consistent with, but not limited to, the English literacy and civics (EL Civics) education program's Civic Objectives and Additional Assessment Plans under Title II of the federal Workforce Innovation and Opportunity Act (Public Law 113-128) for meeting the needs of immigrant and refugee adults seeking integration. At a minimum, the chancellor and the Superintendent, with input from the Statewide Director of Immigrant Integration, shall accomplish both of the following:

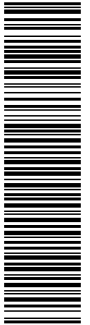
(1) Define the specific data each consortium may collect.

(2) Establish a menu of common assessments and policies regarding placement of adults seeking immigrant integration into adult education programs to be used by each consortium to measure educational needs of adults and the effectiveness of providers in addressing those needs.

(c) No later than August 1, 2017, the chancellor and the Superintendent shall report to the Director of Finance, the State Board of Education, and the appropriate policy and fiscal committees of the Legislature on options for integrating the assessments described in subdivision (a) into the common assessment system developed pursuant to Section 78219. The report shall address compliance of the assessments with federal and state funding requirements for adult education programs, identify estimated costs and timelines for the assessments, and identify changes in policies that may be needed to avoid duplicate assessments.

(d) It is the intent of the Legislature that both of the following occur:

(1) That the educational needs of adults in the state be better identified and understood through better sharing of data across state agencies.



(2) That, at a minimum, the chancellor and the Superintendent shall enter into agreements to share data related to effectiveness of the consortia between their agencies and with other state agencies, including, but not necessarily limited to, the Employment Development Department and the ~~California Workforce Investment Board~~. Department of Better Jobs and Higher Wages.

(e) The chancellor and the Superintendent, with input from the Statewide Director of Immigrant Integration and adult education program providers, as applicable, shall identify, no later than July 1, 2019, the measures for assessing the effectiveness of consortia that will be used in the report that is required pursuant to Section 84917. These measures shall include, but not necessarily be limited to, all of the following, as applicable:

(1) How many adults are served by members of the consortium.
(2) How many adults served by members of the consortium have demonstrated the following:

(A) Improved literacy skills.
(B) Immigrant integration in the areas consistent with, but not limited to, those already identified for English literacy and civics under Title II of the federal Workforce Innovation and Opportunity Act (Public Law 113-128), including increased participation in civic and community life.

(C) Completion of high school diplomas or their recognized equivalents.
(D) Completion of postsecondary certificates, degrees, or training programs.
(E) Placement into jobs.
(F) Improved wages.
(f) The chancellor and the Superintendent shall apportion the funds appropriated for purposes of this section in the Budget Act of 2015 in accordance with both of the following:

(1) Eighty-five percent of these funds shall be used for grants to consortia to establish systems or obtain data necessary to submit any reports or data required pursuant to subdivision (b) of Section 84917.

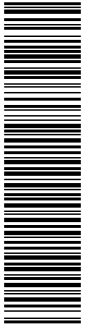
(2) Fifteen percent of these funds shall be used for grants for development of statewide policies and procedures related to data collection or reporting or for technical assistance to consortia, or both.

(g) The chancellor and the Superintendent shall provide any guidance to the consortia necessary to support the sharing of data included in systems established by consortia pursuant to this section across consortia.

SEC. 36. Section 88083 of the Education Code is amended to read:

88083. The commission may classify as apprentice positions certain positions where the principal requirement is that of learning to perform efficiently, by study and practice, specific duties concerning which a definite plan of systematic instruction and special supervision has been approved pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6~~ of the Labor Code for the designated trade.

The apprenticeship training plan adopted by the governing board of the community college district shall be approved by the California Apprenticeship Council for building and construction trades or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ executive director for other trades.



No assignment to any position classified as an apprentice position shall be allowed to continue beyond the predetermined apprenticeship period approved by the California Apprenticeship Council for building and construction trades and for firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ executive director for other trades, except that the community college district's joint apprenticeship committee may approve retention of an employee as an apprentice up to six months beyond the predetermined apprentice period.

The selection of eligible persons shall be made in accordance with their position on employment lists established by competitive or qualifying examinations.

Section 88033 shall be applicable to apprentice positions. However, relative age may be considered as a factor in the ranking of candidates for apprentice positions.

Credit for prior training in a regularly indentured apprenticeship program shall be given to qualified candidates.

In all cases of apprenticeship probationary periods, the standards of duration and qualifications shall be fixed by the commission insofar as they do not exceed the maximum standards set up by the California Apprenticeship Council for building and construction trades and for firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ executive director for other trades. Termination for cause may be prescribed for any apprentice who fails to attain the predetermined standards of apprenticeship or for causes as prescribed by the rules of the commission.

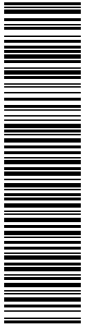
The commission shall recommend to the governing board a graduated scale of compensation rates for the various levels of apprentices, taking into consideration the percentage relationship to the districts' journeyman wage of the trade as provided in the statement of policies of the California Apprenticeship Council.

The commission may determine that promotional examinations shall be held for entrance into various levels of apprentice positions and entrance into journeyman positions in a skilled trade.

SEC. 37. Section 88600 of the Education Code is amended to read:

88600. (a) The economic and workforce development program shall operate according to all of the following principles:

- (1) The program shall be responsive to the needs of employers, workers, and students.
- (2) The program shall collaborate with other public institutions, aligning resources to foster cooperation across workforce education and service delivery systems, and building well-articulated career pathways.
- (3) Program decisions shall be data driven and evidence based, investing resources and adopting practices on the basis of what works.
- (4) The program shall develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, and program evaluation.
- (5) The program shall be outcome oriented and accountable, measuring results for program participants, including students, employers, and workers.
- (6) The program shall be accessible to employers, workers, and students who may benefit from its operation.
- (7) The program shall provide guidance to local educational agencies on the allocation and oversight of apprenticeship training funds, consistent with the rules set by the California Apprenticeship Council for building and construction trades and for



firefighters or by the ~~Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations~~ Executive Director of Apprenticeship Standards within the Department of Better Jobs and Higher Wages for other trades.

(b) The mission of the economic and workforce development program is to do all of the following:

(1) To advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous workforce improvement.

(2) To advance California's economic and jobs recovery and sustain economic growth through labor market-aligned education workforce training services, and sector strategies focusing on continuous workforce improvement, technology deployment, and business development, to meet the needs of California's competitive and emerging industry sectors and industry clusters.

(3) To use labor market information to advise the chancellor's office and regional community college bodies on the workforce needs of California's competitive and emerging industry sectors and industry clusters, in accordance with both of the following:

(A) To the extent possible, the economic and workforce development program shall work with, share information with, and consider the labor market analyses produced by, the ~~Employment Development Department's~~ Department of Better Jobs and Higher Wages' Labor Market Information Division and the California Workforce Development Board.

(B) The economic and workforce development program may also use its own resources to bolster and refine these labor market and industry sector and industry cluster analyses to fulfill its mission.

(4) To provide technical assistance and logistical, technical, and communications infrastructure support that engenders alignment between the career technical education programs of the community college system and the needs of California's competitive and emerging industry sectors and industry clusters.

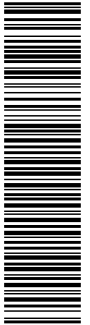
(5) To collaborate and coordinate investment with other state, regional, or local agencies involved in education and workforce training in California, including, but not necessarily limited to, the California Workforce Development Board, local workforce ~~investment development~~ boards, the Employment Training Panel, the State Department of Education, and the ~~Employment Development Department.~~ Department of Better Jobs and Higher Wages.

(6) To identify, acquire, and leverage community college and other financial and in-kind public and private resources to support economic and workforce development and the career technical education programs of the state's community colleges.

(7) To work with representatives of business, labor, and professional trade associations to explore and develop alternatives for assisting incumbent workers in the state's competitive and emerging industry sectors. A key objective is to enable incumbent workers to become more competitive in their region's labor market, increase competency, and identify career pathways to economic self-sufficiency, economic security, and lifelong access to good-paying jobs.

SEC. 38. Section 94874 of the Education Code is amended to read:

94874. Except as provided in Sections 94874.2, 94874.7, and 94927.5, the following are exempt from this chapter:



(a) An institution that offers solely avocational or recreational educational programs.

(b) (1) An institution offering educational programs sponsored by a bona fide trade, business, professional, or fraternal organization, solely for that organization's membership.

(2) (A) Except as provided in subparagraph (B), a bona fide organization, association, or council that offers preapprenticeship training programs, on behalf of one or more Division of Apprenticeship Standards-approved labor-management apprenticeship programs that satisfies one of the following conditions:

(i) It is not on the Eligible Training Provider List established and maintained by the ~~California Workforce Development Board~~ Department of Better Jobs and Higher Wages but has met the requirements for placement on the list.

(ii) It is on the Eligible Training Provider List established and maintained by the ~~California Workforce Development Board~~ Department of Better Jobs and Higher Wages and meets the requirements for continued listing.

(B) If an organization, association, or council has been removed from the Eligible Training Provider List established and maintained by the ~~California Workforce Development Board~~ Department of Better Jobs and Higher Wages for failure to meet performance standards, it is not exempt until it meets all applicable performance standards.

(c) A postsecondary educational institution established, operated, and governed by the federal government or by this state or its political subdivisions.

(d) An institution offering either of the following:

(1) Test preparation for examinations required for admission to a postsecondary educational institution.

(2) Continuing education or license examination preparation, if the institution or the program is approved, certified, or sponsored by any of the following:

(A) A government agency, other than the bureau, that licenses persons in a particular profession, occupation, trade, or career field.

(B) A state-recognized professional licensing body, such as the State Bar of California, that licenses persons in a particular profession, occupation, trade, or career field.

(C) A bona fide trade, business, or professional organization.

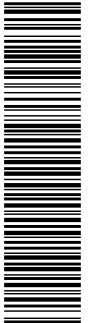
(e) (1) An institution owned, controlled, and operated and maintained by a religious organization lawfully operating as a nonprofit religious corporation pursuant to Part 4 (commencing with Section 9110) of Division 2 of Title 1 of the Corporations Code, that meets all of the following requirements:

(A) The instruction is limited to the principles of that religious organization, or to courses offered pursuant to Section 2789 of the Business and Professions Code.

(B) The diploma or degree is limited to evidence of completion of that education.

(2) An institution operating under this subdivision shall offer degrees and diplomas only in the beliefs and practices of the church, religious denomination, or religious organization.

(3) An institution operating under this subdivision shall not award degrees in any area of physical science.



(4) Any degree or diploma granted under this subdivision shall contain on its face, in the written description of the title of the degree being conferred, a reference to the theological or religious aspect of the degree's subject area.

(5) A degree awarded under this subdivision shall reflect the nature of the degree title, such as "associate of religious studies," "bachelor of religious studies," "master of divinity," or "doctor of divinity."

(f) An institution that does not award degrees and that solely provides educational programs for total charges of two thousand five hundred dollars (\$2,500) or less when no part of the total charges is paid from state or federal student financial aid programs. The bureau may adjust this cost threshold based upon the California Consumer Price Index and post notification of the adjusted cost threshold on its ~~Internet Web site~~, internet website, as the bureau determines, through the promulgation of regulations, that the adjustment is consistent with the intent of this chapter.

(g) A law school that is accredited by the Council of the Section of Legal Education and Admissions to the Bar of the American Bar Association or a law school or law study program that is subject to the approval, regulation, and oversight of the Committee of Bar Examiners, pursuant to Sections 6046.7 and 6060.7 of the Business and Professions Code.

(h) A nonprofit public benefit corporation that satisfies all of the following criteria:

(1) Is qualified under Section 501(c)(3) of the United States Internal Revenue Code.

(2) Is organized specifically to provide workforce development or rehabilitation services.

(3) Is accredited by an accrediting organization for workforce development or rehabilitation services recognized by the Department of Rehabilitation.

(i) An institution that is accredited by the Accrediting Commission for Senior Colleges and Universities, Western Association of Schools and Colleges, or the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges.

(j) Flight instruction providers or programs that provide flight instruction pursuant to Federal Aviation Administration regulations and meet both of the following criteria:

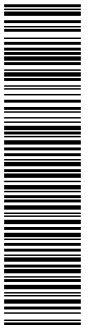
(1) The flight instruction provider or program does not require students to enter into written or oral contracts of indebtedness.

(2) The flight instruction provider or program does not require or accept prepayment of instruction-related costs in excess of two thousand five hundred dollars (\$2,500).

(k) (1) An institution owned, controlled, operated, and maintained by a community-based organization, as defined in Section 7801 of Title 20 of the United States Code, as that section exists on March 1, 2017, that satisfies all of the following criteria:

(A) The institution has programs on or is applying for some or all of their programs to be on the Eligible Training Provider List established and maintained by the ~~California Workforce Development Board~~. Department of Better Jobs and Higher Wages.

(B) The institution is registered as a nonprofit entity qualified under Section 501(c)(3) of the federal Internal Revenue Code.



(C) The institution does not offer degrees, as defined in Section 94830.

(D) The institution does not offer educational programs designed to lead directly or specifically to positions in a profession, occupation, trade, or career field requiring licensure, if bureau approval is required for the student to be eligible to sit for licensure.

(E) The institution would not otherwise be subject to oversight of the bureau under this chapter if it did not receive funding under the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.). For purposes of this requirement, funds received through the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.) do not count towards the total referenced in subdivision (f) or any other fee charge limitation condition for an exemption from this chapter.

(F) The institution can provide a letter from the local workforce development board that demonstrates the institution has met the initial criteria of that board.

(2) An institution granted an exemption pursuant to paragraph (1) shall comply with all of the following requirements:

(A) The institution shall provide to the ~~Employment Development~~ Department of Better Jobs and Higher Wages all required tracking information and data necessary to comply with performance reporting requirements under the federal Workforce Innovation and Opportunity Act, codified in Chapter 32 (commencing with Section 3101) of Title 29 of the United States Code, for programs on the Eligible Training Provider List.

(B) The institution shall comply with the Eligible Training Provider List policy developed by the ~~California Workforce Development Board~~. Department of Better Jobs and Higher Wages.

(C) The institution shall not charge a student who is a recipient of funding under the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.) any institutional charges, as defined in Section 94844, for attending and participating in the program.

SEC. 39. Section 7280.9 of the Government Code is amended to read:

7280.9. (a) For the purposes of this chapter, "certified trainee" means a person who both (1) meets the criteria of Section 7280.2 and (2) has entered into a written agreement called an "apprentice agreement" or a "trainee agreement" with a program sponsor to train under the provisions of such apprenticeship or training standards as are approved under ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6~~ of the Labor Code.

(b) Training standards shall be developed in accordance with ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6~~ of the Labor Code and Chapter 2 (commencing with Section 200) of Title 8 of the California Administrative Code.

SEC. 40. Section 8310.8 of the Government Code is amended to read:

8310.8. (a) (1) This section shall only apply to the following state entities:

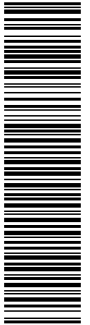
(A) The State Department of Health Care Services.

(B) The State Department of Public Health.

(C) The State Department of Social Services.

(D) The California Department of Aging.

(E) The State Department of Education and the Superintendent of Public Instruction, except this section shall not apply to the California Longitudinal Pupil Achievement Data System (CALPADS).



(F) The Commission on Teacher Credentialing.
(G) The Department of Fair Employment and Housing.
(H) The Labor and Workforce Development Agency.
(I) The Department of Industrial Relations.
(J) The Department of Better Jobs and Higher Wages, including the Employment Training Panel.

(K) The Employment Development Department, except this section shall not apply to the unemployment insurance program within the department.

(2) This section shall be known and may be cited as the Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act.

(b) (1) Except as specified in paragraph (2), in addition to the duties imposed by Section 8310.5 and to the extent permissible by federal law, the state entities identified in subdivision (a), in the course of collecting demographic data directly or by contract as to the ancestry or ethnic origin of Californians, shall collect voluntary self-identification information pertaining to sexual orientation and gender identity.

(2) The state entities identified in subdivision (a) may, but are not required to, collect demographic data pursuant to this section under either of the following circumstances:

(A) Pursuant to federal programs or surveys, whereby the guidelines for demographic data collection categories are defined by the federal program or survey.

(B) Demographic data is collected by other entities including:

(i) State offices, departments, and agencies not included in subdivision (a).

(ii) Surveys administered by third-party entities and the state department is not the sole funder.

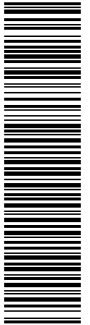
(iii) Third-party entities, including, but not limited to, private employers, that provide aggregated data to a state department.

(c) (1) The state entities identified in subdivision (a) shall report to the Legislature the data collected pursuant to this section and the method used to collect that data, and make the data available to the public in accordance with state and federal law, except for personal identifying information, which shall be deemed confidential and shall not be disclosed.

(2) The state entities identified in subdivision (a) shall not report demographic data that would permit identification of individuals or would result in statistical unreliability. Demographic reports on data collected pursuant to this section, to prevent identification of individuals, may aggregate categories at a state, county, city, census tract, or ZIP Code level to facilitate comparisons and identify disparities.

(3) The state entities identified in subdivision (a) may use information voluntarily provided about sexual orientation and gender identity only for demographic analysis, coordination of care, quality improvement of its services, conducting approved research, fulfilling reporting requirements, and guiding policy or funding decisions. All information about sexual orientation and gender identity collected pursuant to this section shall be used only for purposes specified in this section.

(d) The state entities identified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (a) shall comply with the requirements of this section as early as possible following the effective date of this section, but no later than July 1, 2018.



(e) The state entities identified in subparagraphs (E) to (K), inclusive, of paragraph (1) of subdivision (a) shall comply with the requirements of this section as early as possible following the effective date of this section, but no later than July 1, 2019.

SEC. 41. Section 11012 of the Government Code is amended to read:

11012. Whenever any state agency, including, but not limited to, state agencies acting in a fiduciary capacity, is authorized to invest funds, or to sell or exchange securities, prior approval of the Department of Finance to the investment, sale, or exchange shall be secured.

Every state agency shall furnish the Department of Finance with the reports and in the form, relating to the funds or securities, their acquisition, sale, or exchange, as may be requested by the Department of Finance from time to time.

This section does not apply to the following state agencies:

(a) Any state agency if issuing or dealing in securities authorized to be issued by it.

(b) The State Treasurer.

(c) The Regents of the University of California.

(d) Employment Development Department.

(e) Department of Veterans Affairs.

(f) Hastings College of Law.

(g) Board of Administration of the Public Employees' Retirement System.

(h) State Compensation Insurance Fund.

(i) California Transportation Commission and Department of Transportation if acting in accordance with bond resolutions adopted under the California Toll Bridge Authority Act (Chapter 1 (commencing with Section 30000) of Division 17 of the Streets and Highways Code) prior to September 15, 1945.

(j) Teachers' Retirement Board of the State Teachers' Retirement System.

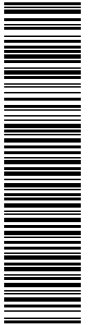
(k) State Athletic Commission if acting pursuant to Section 18882 of the Business and Professions Code with respect to the Boxers' Pension Fund.

(l) The Department of Better Jobs and Higher Wages.

SEC. 42. Section 11019 of the Government Code is amended to read:

11019. (a) Any department or authority specified in subdivision (b) may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, advance to a community-based private nonprofit agency with which it has contracted, pursuant to federal law and related state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws during the fiscal year to the private nonprofit agency. Advances in excess of 25 percent may be made on contracts financed by a federal program when the advances are not prohibited by federal guidelines. Advance payments may be provided for services to be performed under any contract with a total annual contract amount of four hundred thousand dollars (\$400,000) or less. This amount shall be increased by 5 percent, as determined by the Department of Finance, for each year commencing with 1989.

Advance payments may also be made with respect to any contract that the Department of Finance determines has been entered into with any community-based private nonprofit agency with modest reserves and potential cashflow problems. No advance payment



shall be granted if the total annual contract exceeds four hundred thousand dollars (\$400,000), without the prior approval of the Department of Finance.

The specific departments and authority mentioned in subdivision (b) shall develop a plan to establish control procedures for advance payments. Each plan shall include a procedure whereby the department or authority determines whether or not an advance payment is essential for the effective implementation of a particular program being funded. Each plan shall be approved by the Department of Finance.

(b) Subdivision (a) shall apply to the Emergency Medical Services Authority, the California Department of Aging, the State Department of Developmental Services, the State Department of Alcohol and Drug Programs, the Department of Corrections and Rehabilitation, including the Division of Juvenile Justice, the Department of Community Services and Development, the Employment Development Department, the Department of Better jobs and Higher Wages, the State Department of Health Care Services, the State Department of Public Health, the State Department of State Hospitals, the Department of Rehabilitation, the State Department of Social Services, the Department of Child Support Services, the State Department of Education, the area boards on developmental disabilities, the State Council on Developmental Disabilities, the Office of Statewide Health Planning and Development, and the California Environmental Protection Agency, including all boards and departments contained therein.

Subdivision (a) shall also apply to the California Health and Human Services Agency, which may make advance payments, pursuant to the requirements of that subdivision, to multipurpose senior services projects as established in Chapter 8 (commencing with Section 9560) of Division 8.5 of the Welfare and Institutions Code.

Subdivision (a) shall also apply to the Natural Resources Agency, including all boards and departments contained in that agency, which may make advance payments pursuant to the requirements of that subdivision with respect to grants and contracts awarded to certified local community conservation corps.

(c) A county may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, and not more frequently than once each fiscal year, advance to a community-based private nonprofit agency with which it has contracted, pursuant to any applicable federal or state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws, during the fiscal year to the private nonprofit agency.

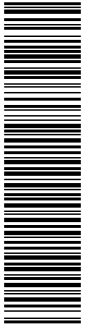
SEC. 43. Section 11200 of the Government Code is amended to read:

11200. The Governor, upon recommendation of the director of the following state departments, may appoint not to exceed two chief deputies for the Directors of the Departments of Finance, Transportation, and General Services, and not to exceed one chief deputy for the Directors of the Departments of Employment Development, Better Jobs and Higher Wages, Food and Agriculture, Motor Vehicles, Consumer Affairs, Water Resources, and Parks and Recreation.

The deputies provided for in this section shall be in addition to those authorized by any other law.

SEC. 44. Section 11552 of the Government Code is amended to read:

11552. (a) Effective January 1, 1988, an annual salary of eighty-five thousand four hundred two dollars (\$85,402) shall be paid to each of the following:



- (1) Commissioner of Business Oversight.
- (2) Director of Transportation.
- (3) Real Estate Commissioner.
- (4) Director of Social Services.
- (5) Director of Water Resources.
- (6) Director of General Services.
- (7) Director of Motor Vehicles.
- (8) Executive Officer of the Franchise Tax Board.
- (9) Director of Employment Development.
- (10) Director of Alcoholic Beverage Control.
- (11) Director of Housing and Community Development.
- (12) Director of Alcohol and Drug Programs.
- (13) Director of Statewide Health Planning and Development.
- (14) Director of the Department of Human Resources.
- (15) Director of Health Care Services.
- (16) Director of State Hospitals.
- (17) Director of Developmental Services.
- (18) State Public Defender.
- (19) Director of the California State Lottery.
- (20) Director of Fish and Wildlife.
- (21) Director of Parks and Recreation.
- (22) Director of Rehabilitation.
- (23) Director of the Office of Administrative Law.
- (24) Director of Consumer Affairs.
- (25) Director of Forestry and Fire Protection.
- (26) The Inspector General pursuant to Section 6125 of the Penal Code.
- (27) Director of Child Support Services.
- (28) Director of Industrial Relations.
- (29) Director of Toxic Substances Control.
- (30) Director of Pesticide Regulation.
- (31) Director of Managed Health Care.
- (32) Director of Environmental Health Hazard Assessment.
- (33) Director of California Bay-Delta Authority.
- (34) Director of California Conservation Corps.
- (35) Director of Technology.
- (36) Director of Emergency Services.
- (37) Director of the Office of Energy Infrastructure Safety.
- (38) Director of the Department of Better Jobs and Higher Wages.

(b) The annual compensation provided by this section shall be increased in any fiscal year in which a general salary increase is provided for state employees. The amount of the increase provided by this section shall be comparable to, but shall not exceed, the percentage of the general salary increases provided for state employees during that fiscal year.

SEC. 45. Section 12099.6 of the Government Code is amended to read:

12099.6. (a) An iHub may do all of, but shall not be limited to, the following:



(1) Provide counseling and technical assistance, either by direct or indirect services, in the areas of entrepreneurial business planning and management, financing, and marketing for small businesses.

(2) Provide expert advice to entrepreneurs on starting a business, including legal requirements for starting a business and access to financing opportunities.

(3) Conduct business workshops, seminars, and conferences with local partners including, but not limited to, state universities, state community colleges, local governments, state and federal service providers, private industry, workforce investment boards and agencies, small business development centers, microenterprise development organizations, small business service agencies, economic development organizations, and chambers of commerce.

(4) Facilitate partnerships between innovative startup businesses, research institutions, and venture capitalists or financial institutions.

(b) The iHubs shall, to the extent feasible, do all of the following:

(1) Work in close collaboration with the activities of the office as its primary statewide partner.

(2) Coordinate activities with the Department of Better Jobs and Higher Wages, the Employment Training Panel, the California Workforce ~~Investment~~ Development Board, the Office of the Chancellor of the California Community Colleges, the University of California, the California State University, and other state economic and workforce development programs.

SEC. 46. Section 12803.65 of the Government Code is amended to read:

12803.65. (a) The Governor shall rename and establish, in the California Health and Human Services Agency, Department of Rehabilitation, the existing “California Governor’s Committee on Employment of People with Disabilities” as the “California Committee on Employment of People with Disabilities.”

(b) (1) The California Committee on Employment of People with Disabilities shall include, but not be limited to, the following:

(A) Four individuals with disabilities representing disabled persons, one each appointed by the Senate Committee on Rules and the Speaker of the Assembly and two appointed by the Secretary of California Health and Human Services, each for a three-year term.

(B) The Directors of the ~~Employment Development Department~~, Department of Better Jobs and Higher Wages, State Department of Health Care Services, State Department of Developmental Services, State Department of Social Services, and Department of Rehabilitation, and the Chair of the State Independent Living Council.

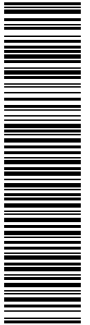
(C) A representative from the California Health Incentive Improvement Project.

(D) A representative from the California Workforce ~~Investment~~ Development Board who is nominated by that board.

(E) At the discretion of the Secretary of California Health and Human Services, representatives from any other department or program that may have a role in increasing the capacity of state programs to support the employment-related needs of individuals with disabilities.

(F) A representative from a local one-stop or local workforce investment board, to be nominated by the California Workforce ~~Investment~~ Development Board.

(G) Three business representatives with experience in employing persons with disabilities, to be appointed by the Secretary of California Health and Human Services.



(2) The members of the California Committee on Employment of People with Disabilities shall select a chair from among the members, and shall hold open meetings no less than four times a year.

(c) The California Committee on Employment of People with Disabilities shall consult with and advise the Labor and Workforce Development Agency and the California Health and Human Services Agency on all issues related to full inclusion in the workforce of persons with disabilities, including development of the comprehensive strategy required pursuant to Section 12803.6.

(d) The California Committee on Employment of People with Disabilities shall coordinate and provide leadership, as necessary, with regard to efforts to increase inclusion in the workforce of persons with disabilities, including, but not limited to, one annual event for youth with disabilities, to the extent funding is available.

(e) The California Committee on Employment of People with Disabilities shall meet four times a year with the California Health Incentive Improvement Project and the project's steering committee, to the extent funding for the project continues and the activities of the California Committee on Employment of People with Disabilities are not inconsistent with the charge of the California Health Incentive Improvement Project.

(f) Using existing funding, the California Committee on Employment of People with Disabilities shall facilitate, promote, and coordinate collaborative dissemination of information on employment supports and benefits, which shall include the Ticket to Work program and health benefits, to individuals with disabilities, consumers of public services, employers, service providers, and state and local agency staff.

(g) Using existing funding, the California Committee on Employment of People with Disabilities shall receive primary administrative and staff support from the Department of Rehabilitation, subject to funding from the ~~Employment Development Department~~. Department of Better Jobs and Higher Wages.

SEC. 47. Section 12813 of the Government Code is amended to read:

12813. The Labor and Workforce Development Agency consists of the following:

(a) Office of the Secretary of Labor and Workforce Development.

(b) Agricultural Labor Relations Board.

~~(c) California Workforce Development Board.~~

~~(d)~~

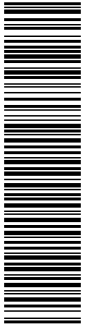
~~(c)~~ Department of Industrial Relations, including the California Apprenticeship Council, California Occupational Safety and Health Appeals Board, California Occupational Safety and Health Standards Board, Commission on Health and Safety and Workers' Compensation, Industrial Welfare Commission, ~~Interagency Advisory Committee on Apprenticeship~~, State Compensation Insurance Fund, and Workers' Compensation Appeals Board.

~~(e)~~

~~(d)~~ Employment Development Department, including the California Unemployment Insurance Appeals Board, and the ~~Employment Training Panel~~. Board.

~~(e)~~ The Department of Better Jobs and Higher Wages, including the California Workforce Development Board, the California Apprenticeship Council, the Interagency Advisory Committee on Apprenticeship, and the Employment Training Panel.

SEC. 48. Section 20057 of the Government Code is amended to read:



20057. "Public agency" also includes the following:

(a) The Commandant, Veterans' Home of California, with respect to employees of the Veterans' Home Exchange and other post fund activities whose compensation is paid from the post fund of the Veterans' Home of California.

(b) Any auxiliary organization operating pursuant to Chapter 7 (commencing with Section 89900) of Part 55 of Division 8 of Title 3 of the Education Code and in conformity with regulations adopted by the Trustees of the California State University and any auxiliary organization operating pursuant to Article 6 (commencing with Section 72670) of Chapter 6 of Part 45 of Division 7 of Title 3 of the Education Code and in conformity with regulations adopted by the Board of Governors of the California Community Colleges.

(c) Any student body or nonprofit organization composed exclusively of students of the California State University or community college or of members of the faculty of the California State University or community college, or both, and established for the purpose of providing essential activities related to, but not normally included as a part of, the regular instructional program of the California State University or community college.

(d) A state organization of governing boards of school districts, the primary purpose of which is the advancing of public education through research and investigation.

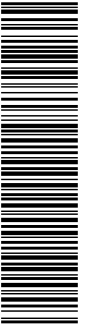
(e) Any nonprofit corporation whose membership is confined to public agencies as defined in Section 20056.

(f) A section of the California Interscholastic Federation.

(g) Any credit union incorporated under Division 5 (commencing with Section 14000) of the Financial Code, or incorporated pursuant to federal law, with 95 percent of its membership limited to employees who are members of or retired members of this system or the State Teachers' Retirement Plan, and their immediate families, and employees of any credit union. For the purposes of this subdivision, "immediate family" means those persons related by blood or marriage who reside in the household of a member of the credit union who is a member of or retired member of this system or the State Teachers' Retirement Plan. The credit union shall pay any costs that are in addition to the normal charges required to enter into a contract with the board. All the payments made by the credit union that are in addition to the normal charges required shall be added to the total amount appropriated by the Budget Act for the administrative expense of this system. For purposes of this subdivision, a credit union is not deemed to be a public agency unless it has entered into a contract with the board pursuant to Chapter 5 (commencing with Section 20460) prior to January 1, 1988. After January 1, 1988, the board may not enter into a contract with any credit union as a public agency.

(h) Any county superintendent of schools that was a contracting agency on July 1, 1983, and any school district or community college district that was a contracting agency with respect to local police officers, as defined in Section 20430, on July 1, 1983.

(i) Any school district or community college district that has established a police department, pursuant to Section 38000 or 72330 of the Education Code, and has entered into a contract with the board on or after January 1, 1990, for school safety members, as defined in Section 20444.



(j) A nonprofit corporation formed for the primary purpose of assisting the development and expansion of the educational, research, and scientific activities of a district agricultural association formed pursuant to Part 3 (commencing with Section 3801) of Division 3 of the Food and Agricultural Code, and the nonprofit corporation described in the California State Exposition and Fair Law (former Article 3 (commencing with Section 3551) of Chapter 3 of Part 2 of Division 3 of the Food and Agricultural Code, as added by Chapter 15 of the Statutes of 1967).

(k) (1) A public or private nonprofit corporation that operates a regional center for the developmentally disabled in accordance with Chapter 5 (commencing with Section 4620) of Division 4.5 of the Welfare and Institutions Code.

(2) A public or private nonprofit corporation, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, that operates a rehabilitation facility for the developmentally disabled and provides services under a contract with either (A) a regional center for the developmentally disabled, pursuant to paragraph (3) of subdivision (a) of Section 4648 of the Welfare and Institutions Code, or (B) the Department of Rehabilitation, pursuant to Chapter 4.5 (commencing with Section 19350) of Part 2 of Division 10 of the Welfare and Institutions Code, upon obtaining a written advisory opinion from the United States Department of Labor as described in Section 20057.1.

(3) A public or private nonprofit corporation described in this subdivision shall be deemed a "public agency" only for purposes of this part and only with respect to the employees of the regional center or the rehabilitation facility described in this subdivision. Notwithstanding any other provision of this part, the agency may elect by appropriate provision or amendment of its contract not to provide credit for service prior to the effective date of its contract.

(l) Independent data-processing centers formed pursuant to former Article 2 (commencing with Section 10550) of Chapter 6 of Part 7 of the Education Code, as it read on December 31, 1990. An agency included pursuant to this subdivision shall only provide benefits that are identical to those provided to a school member.

(m) Any local agency formation commission.

(n) A nonprofit corporation organized for the purpose of and engaged in conducting a citrus fruit fair as defined in Section 4603 of the Food and Agricultural Code.

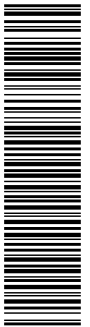
(o) (1) A public or private nonprofit corporation that operates an independent living center providing services to severely handicapped people and established pursuant to federal Public Law 93-112, that receives the approval of the board, and that provides at least three of the following services:

(A) Assisting severely handicapped people to obtain personal attendants who provide in-home supportive services.

(B) Locating and distributing information about housing in the community usable by severely handicapped people.

(C) Providing information about financial resources available through federal, state, and local government, and private and public agencies to pay all or part of the cost of the in-home supportive services and other services needed by severely handicapped people.

(D) Counseling by people with similar disabilities to aid the adjustment of severely handicapped people to handicaps.



(E) Operation of vans or buses equipped with wheelchair lifts to provide accessible transportation to otherwise unreachable locations in the community where services are available to severely handicapped people.

(2) A public or private nonprofit corporation described in this subdivision shall be deemed a “public agency” only for purposes of this part and only with respect to the employees of the independent living center.

(3) Notwithstanding any other provisions of this part, the public or private nonprofit corporation may elect by appropriate provision or amendment of its contract not to provide credit for service prior to the effective date of its contract.

(p) A hospital that is managed by a city legislative body in accordance with Article 8 (commencing with Section 37650) of Chapter 5 of Part 2 of Division 3 of Title 4.

(q) The Tahoe Transportation District that is established by Article IX of Section 66801.

(r) The California Firefighter Joint Apprenticeship Program formed pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

(s) A public health department or district that is managed by the governing body of a county of the 15th class, as defined by Sections 28020 and 28036, as amended by Chapter 1204 of the Statutes of 1971.

(t) A nonprofit corporation or association conducting an agricultural fair pursuant to Section 25905 may enter into a contract with the board for the participation of its employees as members of this system, upon obtaining a written advisory opinion from the United States Department of Labor as described in Section 20057.1. The nonprofit corporation or association shall be deemed a “public agency” only for this purpose.

(u) An auxiliary organization established pursuant to Article 2.5 (commencing with Section 69522) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code upon obtaining a written advisory opinion from the United States Department of Labor as described in Section 20057.1. The auxiliary organization is a “public agency” only for this purpose.

(v) The Western Association of Schools and Colleges upon obtaining a written advisory opinion from the United States Department of Labor as described in Section 20057.1. The association shall be deemed a “public agency” only for this purpose.

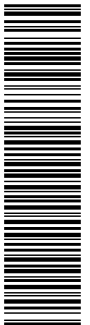
(w) The State Assistance Fund for Enterprise, Business and Industrial Development Corporation upon obtaining a written advisory opinion from the United States Department of Labor as described in Section 20057.1.

(x) (1) A private nonprofit area agency on aging as described in Section 9006 of the Welfare and Institutions Code upon obtaining a written advisory opinion from the United States Department of Labor as described in Section 20057.1.

(2) The area agency on aging shall be deemed a “public agency” only for purposes of this part and only with respect to the employees of the agency.

(3) Notwithstanding any other provision of this part, the area agency on aging may elect by appropriate provision or amendment of its contract not to provide credit for service prior to the effective date of its contract.

(y) (1) A nonprofit mutual water company operating pursuant to Chapter 1 (commencing with Section 14300) of Part 7 of Division 3 of Title 1 of the Corporations Code, upon obtaining a written advisory opinion from the United States Department



of Labor as described in Section 20057.1, if both of the following requirements are satisfied:

(A) More than 50 percent of the company's shares are owned by a municipality.

(B) The governing body of the company is a local public agency, as defined in Section 6252, and a legislative body, as defined in Section 54952.

(2) A nonprofit mutual water company that meets the requirements specified in paragraph (1) shall be deemed a "public agency" only for the purposes of this part and only with respect to the employees of the agency.

(3) A nonprofit mutual water company that meets the requirements specified in paragraph (1) shall be deemed a "public agency" for purposes of this part only if it complies with the provisions of Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 and Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5.

SEC. 49. Section 65623 of the Government Code is amended to read:

65623. (a) (1) Except as provided in paragraph (2), for a period of five years from the adoption of the specific plan pursuant to Section 65621, a local government shall approve a development that satisfies all of the criteria listed in paragraphs (3) to (7), inclusive, of subdivision (a) of Section 65621 in effect at the time the application for the development is deemed complete.

(2) If the local government finds, based upon substantial evidence in the record of the public hearing on the project, that a physical condition of the site of the development that was not known at the time the specific plan was prepared would have a specific, adverse impact upon the public health or safety, then the local government shall either: (A) approve the project subject to a condition that satisfactorily mitigates or avoids the impact, or (B) deny the project if the cost of complying with the condition renders the project unaffordable for the intended residents of low, moderate, or middle income and approval would cause more than 50 percent of the total units in the zone to be sold or rented to persons and families of above moderate income in violation of paragraph (3) of subdivision (c).

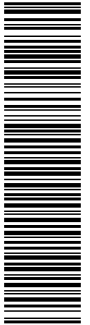
(b) As used in this subdivision, "specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(c) After the adoption of the zone pursuant to Section 65621, a lead agency is not required to prepare an environmental impact report or negative environmental declaration for a housing development that satisfies all of the following criteria:

(1) The development is located on land within a Workforce Housing Opportunity Zone.

(2) The development is consistent with the plan adopted pursuant to subdivision (a) of Section 65621, including the density ranges established pursuant to paragraph (4) of subdivision (a) of Section 65621. If a development is not consistent with the elements and standards in the plan, then the provisions of this section does not apply and the city or county shall consider the application as it would an application for development that is not within the zone, including the preparation of an environmental impact report or a negative declaration for the housing development.

(3) (A) At least 30 percent of the total units constructed or substantially rehabilitated in the zone will be sold or rented to persons and families of moderate



income, as defined by Section 50093 of the Health and Safety Code, or persons and families of middle income, as defined in Section 65008; at least 15 percent of the total units constructed or substantially rehabilitated in the zone will be sold or rented to lower income households, as defined by Section 50079.5 of the Health and Safety Code; and at least 5 percent of the total units constructed or substantially rehabilitated in the zone will be restricted for a term of 55 years for very low income households, as defined by Section 50105 of the Health and Safety Code. No more than 50 percent of the total units constructed or substantially rehabilitated in the zone shall be sold or rented to persons and families of above moderate income.

(B) The developer shall provide sufficient legal commitments to ensure continued availability of units for very low, low-, moderate-, or middle-income households in accordance with the provisions of this subdivision for 55 years for rental units and 45 years for owner-occupied units.

(4) The development has incorporated each of the mitigation measures adopted pursuant to paragraph (3) of subdivision (a) of Section 65621 and deemed applicable by the city, county, or city and county.

(5) The development has incorporated each of the uniformly applied development standards adopted pursuant to paragraph (5) of subdivision (a) of Section 65621 and deemed applicable by the city, county, or city and county.

(6) The development complies with the design review standards adopted pursuant to paragraph (7) of subdivision (a) of Section 65621 and deemed applicable by the city, county, or city and county.

(7) The development has incorporated each of the mitigation measures adopted as part of the environmental impact report for the specific plan and deemed applicable by the city, county, or city and county.

(8) A development that is affordable to persons and families whose income exceeds the income limit for persons and families of moderate income shall include no less than 10 percent of the units for lower income households at affordable housing cost, as defined by Section 50052.5 of the Health and Safety Code, unless the locality has adopted a local ordinance that requires greater than 10 percent of the units, in which case that ordinance applies.

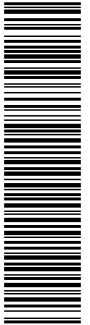
(9) The development proponent has certified that one of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, that all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the ~~Chief of the Division~~ Executive Director of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the project that are not public work all of the following shall apply:

(i) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) Contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages,



except that apprentices registered in programs approved by the ~~Chief of the Division Executive Director of Apprenticeship Standards within the Department of Better Jobs and Higher Wages~~ may be paid at least the applicable apprentice rate.

(iii) Except as provided in clause (v), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section.

(iv) Except as provided in clause (v), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

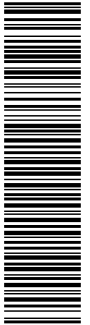
(v) Clauses (iii) and (iv) shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(vi) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude the use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(d) (1) Notice that a local government has received an application for a housing development within a Workforce Housing Opportunity Zone shall be posted on the local government's ~~Internet Web site~~ internet website and mailed or delivered within 10 days of receiving the application to any person who has filed a written request for notice with either the clerk of the governing body or with any other person designated by the governing body to receive these requests.

(2) A local government shall approve a housing development proposed within the zone that is consistent with the plan and satisfies each of the criteria in subdivision (c) within 60 days of the date the application is deemed complete pursuant to the Permit Streamlining Act (Chapter 4.5 (commencing with Section 65920)).

(e) The approval of a development that does not include a majority of the units that will be sold or rented to persons and families of lower income, as defined in Section 50079.5 of the Health and Safety Code, shall expire three years from the date of the approval, if construction has not begun on the housing units in the development. A local government may grant one extension for an additional three-year period upon a determination that good cause exists for the delay in commencing construction. A local



government shall not consider the same or substantially similar project on the same parcel of property if the development expires pursuant to this subdivision.

SEC. 50. Section 65913.4 of the Government Code is amended to read:

65913.4. (a) A development proponent may submit an application for a development that is subject to the streamlined, ministerial approval process provided by subdivision (c) and is not subject to a conditional use permit if the development complies with subdivision (b) and satisfies all of the following objective planning standards:

(1) The development is a multifamily housing development that contains two or more residential units.

(2) The development and the site on which it is located satisfy all of the following:

(A) It is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined.

(C) It is zoned for residential use or residential mixed-use development, or has a general plan designation that allows residential use or a mix of residential and nonresidential uses, and at least two-thirds of the square footage of the development is designated for residential use. Additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law in Section 65915 shall be included in the square footage calculation. The square footage of the development shall not include underground space, such as basements or underground parking garages.

(3) (A) The development proponent has committed to record, prior to the issuance of the first building permit, a land use restriction or covenant providing that any lower or moderate income housing units required pursuant to subparagraph (B) of paragraph (4) shall remain available at affordable housing costs or rent to persons and families of lower or moderate income for no less than the following periods of time:

(i) Fifty-five years for units that are rented.

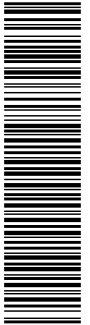
(ii) Forty-five years for units that are owned.

(B) The city or county shall require the recording of covenants or restrictions implementing this paragraph for each parcel or unit of real property included in the development.

(4) The development satisfies subparagraphs (A) and (B) below:

(A) Is located in a locality that the department has determined is subject to this subparagraph on the basis that the number of units that have been issued building permits, as shown on the most recent production report received by the department, is less than the locality's share of the regional housing needs, by income category, for that reporting period. A locality shall remain eligible under this subparagraph until the department's determination for the next reporting period.

(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:



(i) The locality did not submit its latest production report to the department by the time period required by Section 65400, or that production report reflects that there were fewer units of above moderate-income housing issued building permits than were required for the regional housing needs assessment cycle for that reporting period. In addition, if the project contains more than 10 units of housing, the project does either of the following:

(I) The project dedicates a minimum of 10 percent of the total number of units to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, that local ordinance applies.

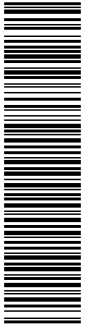
(II) (ia) If the project is located within the San Francisco Bay area, the project, in lieu of complying with subclause (I), dedicates 20 percent of the total number of units to housing affordable to households making below 120 percent of the area median income with the average income of the units at or below 100 percent of the area median income. However, a local ordinance adopted by the locality applies if it requires greater than 20 percent of the units be dedicated to housing affordable to households making at or below 120 percent of the area median income, or requires that any of the units be dedicated at a level deeper than 120 percent. In order to comply with this subclause, the rent or sale price charged for units that are dedicated to housing affordable to households between 80 percent and 120 percent of the area median income shall not exceed 30 percent of the gross income of the household.

(ib) For purposes of this subclause, "San Francisco Bay area" means the entire area within the territorial boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(ii) The locality's latest production report reflects that there were fewer units of housing issued building permits affordable to either very low income or low-income households by income category than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50 percent of the total number of units to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 50 percent of the units be dedicated to housing affordable to households making at or below 80 percent of the area median income, that local ordinance applies.

(iii) The locality did not submit its latest production report to the department by the time period required by Section 65400, or if the production report reflects that there were fewer units of housing affordable to both income levels described in clauses (i) and (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

(C) (i) A development proponent that uses a unit of affordable housing to satisfy the requirements of subparagraph (B) may also satisfy any other local or state requirement for affordable housing, including local ordinances or the Density Bonus Law in Section 65915, provided that the development proponent complies with the applicable requirements in the state or local law.



(ii) A development proponent that uses a unit of affordable housing to satisfy any other state or local affordability requirement may also satisfy the requirements of subparagraph (B), provided that the development proponent complies with applicable requirements of subparagraph (B).

(iii) A development proponent may satisfy the affordability requirements of subparagraph (B) with a unit that is restricted to households with incomes lower than the applicable income limits required in subparagraph (B).

(5) The development, excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915, is consistent with objective zoning standards, objective subdivision standards, and objective design review standards in effect at the time that the development is submitted to the local government pursuant to this section, or at the time a notice of intent is submitted pursuant to subdivision (b), whichever occurs earlier. For purposes of this paragraph, “objective zoning standards,” “objective subdivision standards,” and “objective design review standards” mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(A) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(B) In the event that objective zoning, general plan, subdivision, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning and subdivision standards pursuant to this subdivision if the development is consistent with the standards set forth in the general plan.

(C) It is the intent of the Legislature that the objective zoning standards, objective subdivision standards, and objective design review standards described in this paragraph be adopted or amended in compliance with the requirements of Chapter 905 of the Statutes of 2004.

(D) The amendments to this subdivision made by the act adding this subparagraph do not constitute a change in, but are declaratory of, existing law.

(6) The development is not located on a site that is any of the following:

(A) A coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code.

(B) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.



(C) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993).

(D) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(E) A hazardous waste site that is listed pursuant to Section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the State Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses.

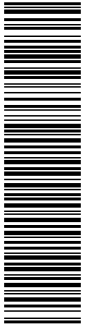
(F) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2.

(G) Within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site. A development may be located on a site described in this subparagraph if either of the following are met:

(i) The site has been subject to a Letter of Map Revision prepared by the Federal Emergency Management Agency and issued to the local jurisdiction.

(ii) The site meets Federal Emergency Management Agency requirements necessary to meet minimum flood plain management criteria of the National Flood Insurance Program pursuant to Part 59 (commencing with Section 59.1) and Part 60 (commencing with Section 60.1) of Subchapter B of Chapter I of Title 44 of the Code of Federal Regulations.

(H) Within a regulatory floodway as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Section 60.3(d)(3) of Title 44 of the Code of Federal Regulations. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any



additional permit requirement, standard, or action adopted by that local government that is applicable to that site.

(I) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(J) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).

(K) Lands under conservation easement.

(7) The development is not located on a site where any of the following apply:

(A) The development would require the demolition of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(iii) Housing that has been occupied by tenants within the past 10 years.

(B) The site was previously used for housing that was occupied by tenants that was demolished within 10 years before the development proponent submits an application under this section.

(C) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(D) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(8) The development proponent has done both of the following, as applicable:

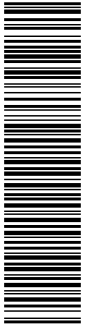
(A) Certified to the locality that either of the following is true, as applicable:

(i) The entirety of the development is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the development is not in its entirety a public work, that all construction workers employed in the execution of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the ~~Chief of the Division~~ Executive Director of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem



wages, except that apprentices registered in programs approved by the ~~Chief of the Division~~ Executive Director of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

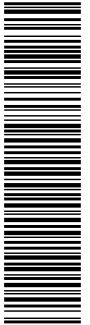
(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) (i) For developments for which any of the following conditions apply, certified that a skilled and trained workforce shall be used to complete the development if the application is approved:

(I) On and after January 1, 2018, until December 31, 2021, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2022, until December 31, 2025, the development consists of 50 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.



(IV) On and after January 1, 2020, until December 31, 2021, the development consists of more than 50 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2022, until December 31, 2025, the development consists of more than 25 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(ii) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(iii) If the development proponent has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the development.

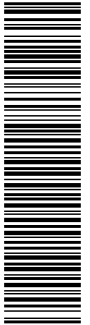
(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the development.

(III) Except as provided in subclause (IV), the applicant shall provide to the locality, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the locality pursuant to this subclause shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars (\$10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars (\$200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Notwithstanding subparagraphs (A) and (B), a development that is subject to approval pursuant to this section is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(i) The project includes 10 or fewer units.



(ii) The project is not a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(9) The development did not or does not involve a subdivision of a parcel that is, or, notwithstanding this section, would otherwise be, subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)) or any other applicable law authorizing the subdivision of land, unless the development is consistent with all objective subdivision standards in the local subdivision ordinance, and either of the following apply:

(A) The development has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (8).

(B) The development is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (8).

(10) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the Recreational Vehicle Park Occupancy Law (Chapter 2.6 (commencing with Section 799.20) of Title 2 of Part 2 of Division 2 of the Civil Code), the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), or the Special Occupancy Parks Act (Part 2.3 (commencing with Section 18860) of Division 13 of the Health and Safety Code).

(b) (1) (A) (i) Before submitting an application for a development subject to the streamlined, ministerial approval process described in subdivision (c), the development proponent shall submit to the local government a notice of its intent to submit an application. The notice of intent shall be in the form of a preliminary application that includes all of the information described in Section 65941.1, as that section read on January 1, 2020.

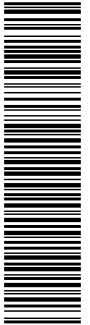
(ii) Upon receipt of a notice of intent to submit an application described in clause (i), the local government shall engage in a scoping consultation regarding the proposed development with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Section 21080.3.1 of the Public Resources Code, of the proposed development. In order to expedite compliance with this subdivision, the local government shall contact the Native American Heritage Commission for assistance in identifying any California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development.

(iii) The timeline for noticing and commencing a scoping consultation in accordance with this subdivision shall be as follows:

(I) The local government shall provide a formal notice of a development proponent's notice of intent to submit an application described in clause (i) to each California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development within 30 days of receiving that notice of intent. The formal notice provided pursuant to this subclause shall include all of the following:

(ia) A description of the proposed development.

(ib) The location of the proposed development.



(ic) An invitation to engage in a scoping consultation in accordance with this subdivision.

(II) Each California Native American tribe that receives a formal notice pursuant to this clause shall have 30 days from the receipt of that notice to accept the invitation to engage in a scoping consultation.

(III) If the local government receives a response accepting an invitation to engage in a scoping consultation pursuant to this subdivision, the local government shall commence the scoping consultation within 30 days of receiving that response.

(B) The scoping consultation shall recognize that California Native American tribes traditionally and culturally affiliated with a geographic area have knowledge and expertise concerning the resources at issue and shall take into account the cultural significance of the resource to the culturally affiliated California Native American tribe.

(C) The parties to a scoping consultation conducted pursuant to this subdivision shall be the local government and any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development. More than one California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development may participate in the scoping consultation. However, the local government, upon the request of any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development, shall engage in a separate scoping consultation with that California Native American tribe. The development proponent and its consultants may participate in a scoping consultation process conducted pursuant to this subdivision if all of the following conditions are met:

(i) The development proponent and its consultants agree to respect the principles set forth in this subdivision.

(ii) The development proponent and its consultants engage in the scoping consultation in good faith.

(iii) The California Native American tribe participating in the scoping consultation approves the participation of the development proponent and its consultants. The California Native American tribe may rescind its approval at any time during the scoping consultation, either for the duration of the scoping consultation or with respect to any particular meeting or discussion held as part of the scoping consultation.

(D) The participants to a scoping consultation pursuant to this subdivision shall comply with all of the following confidentiality requirements:

(i) Subdivision (r) of Section 6254.

(ii) Section 6254.10.

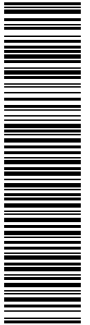
(iii) Subdivision (c) of Section 21082.3 of the Public Resources Code.

(iv) Subdivision (d) of Section 15120 of Title 14 of the California Code of Regulations.

(v) Any additional confidentiality standards adopted by the California Native American tribe participating in the scoping consultation.

(E) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to a scoping consultation conducted pursuant to this subdivision.

(2) (A) If, after concluding the scoping consultation, the parties find that no potential tribal cultural resource would be affected by the proposed development, the



development proponent may submit an application for the proposed development that is subject to the streamlined, ministerial approval process described in subdivision (c).

(B) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is documented between the California Native American tribe and the local government on methods, measures, and conditions for tribal cultural resource treatment, the development proponent may submit the application for a development subject to the streamlined, ministerial approval process described in subdivision (c). The local government shall ensure that the enforceable agreement is included in the requirements and conditions for the proposed development.

(C) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is not documented between the California Native American tribe and the local government regarding methods, measures, and conditions for tribal cultural resource treatment, the development shall not be eligible for the streamlined, ministerial approval process described in subdivision (c).

(D) For purposes of this paragraph, a scoping consultation shall be deemed to be concluded if either of the following occur:

(i) The parties to the scoping consultation document an enforceable agreement concerning methods, measures, and conditions to avoid or address potential impacts to tribal cultural resources that are or may be present.

(ii) One or more parties to the scoping consultation, acting in good faith and after reasonable effort, conclude that a mutual agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources that are or may be present cannot be reached.

(E) If the development or environmental setting substantially changes after the completion of the scoping consultation, the local government shall notify the California Native American tribe of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribe.

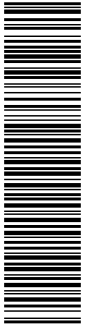
(3) A local government may only accept an application for streamlined, ministerial approval pursuant to this section if one of the following applies:

(A) A California Native American tribe that received a formal notice of the development proponent's notice of intent to submit an application pursuant to subclause (I) of clause (iii) of subparagraph (A) of paragraph (1) did not accept the invitation to engage in a scoping consultation.

(B) The California Native American tribe accepted an invitation to engage in a scoping consultation pursuant to subclause (II) of clause (iii) of subparagraph (A) of paragraph (1) but substantially failed to engage in the scoping consultation after repeated documented attempts by the local government to engage the California Native American tribe.

(C) The parties to a scoping consultation pursuant to this subdivision find that no potential tribal cultural resource will be affected by the proposed development pursuant to subparagraph (A) of paragraph (2).

(D) A scoping consultation between a California Native American tribe and the local government has occurred in accordance with this subdivision and resulted in agreement pursuant to subparagraph (B) of paragraph (2).



(4) A project shall not be eligible for the streamlined, ministerial process described in subdivision (c) if any of the following apply:

(A) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.

(B) There is a potential tribal cultural resource that could be affected by the proposed development and the parties to a scoping consultation conducted pursuant to this subdivision do not document an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in subparagraph (C) of paragraph (2).

(C) The parties to a scoping consultation conducted pursuant to this subdivision do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.

(5) (A) If, after a scoping consultation conducted pursuant to this subdivision, a project is not eligible for the streamlined, ministerial process described in subdivision (c) for any or all of the following reasons, the local government shall provide written documentation of that fact, and an explanation of the reason for which the project is not eligible, to the development proponent and to any California Native American tribe that is a party to that scoping consultation:

(i) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project, as described in subparagraph (A) of paragraph (4).

(ii) The parties to the scoping consultation have not documented an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in subparagraph (C) of paragraph (2) and subparagraph (B) of paragraph (4).

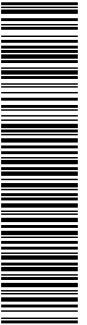
(iii) The parties to the scoping consultation do not agree as to whether a potential tribal cultural resource will be affected by the proposed development, as described in subparagraph (C) of paragraph (4).

(B) The written documentation provided to a development proponent pursuant to this paragraph shall include information on how the development proponent may seek a conditional use permit or other discretionary approval of the development from the local government.

(6) This section is not intended, and shall not be construed, to limit consultation and discussion between a local government and a California Native American tribe pursuant to other applicable law, confidentiality provisions under other applicable law, the protection of religious exercise to the fullest extent permitted under state and federal law, or the ability of a California Native American tribe to submit information to the local government or participate in any process of the local government.

(7) For purposes of this subdivision:

(A) "Consultation" means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties' cultural values and, where feasible, seeking agreement. Consultation between local governments and Native American tribes shall be conducted in a way that is mutually respectful of each party's sovereignty. Consultation shall also recognize the tribes' potential needs for confidentiality with respect to places that have traditional tribal cultural importance. A lead agency shall consult the tribal consultation best practices described in the "State of California Tribal Consultation Guidelines:



Supplement to the General Plan Guidelines” prepared by the Office of Planning and Research.

(B) “Scoping” means the act of participating in early discussions or investigations between the local government and California Native American tribe, and the development proponent if authorized by the California Native American tribe, regarding the potential effects a proposed development could have on a potential tribal cultural resource, as defined in Section 21074 of the Public Resources Code, or California Native American tribe, as defined in Section 21073 of the Public Resources Code.

(8) This subdivision shall not apply to any project that has been approved under the streamlined, ministerial approval process provided under this section before the effective date of the act adding this subdivision.

(c) (1) If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in subdivision (a), it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, as follows:

(A) Within 60 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the objective planning standards specified in subdivision (a).

(3) For purposes of this section, a development is consistent with the objective planning standards specified in subdivision (a) if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d) (1) Any design review or public oversight of the development may be conducted by the local government’s planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review or public oversight shall be objective and be strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submission of a development application, and shall be broadly applicable to development within the jurisdiction. That design review or public oversight shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the development is consistent with the requirements of subparagraph (A) or (B) of paragraph (9) of subdivision (a) and is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be



exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and shall be subject to the public oversight timelines set forth in paragraph (1).

(e) (1) Notwithstanding any other law, a local government, whether or not it has adopted an ordinance governing automobile parking requirements in multifamily developments, shall not impose automobile parking standards for a streamlined development that was approved pursuant to this section in any of the following instances:

(A) The development is located within one-half mile of public transit.

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) When there is a car share vehicle located within one block of the development.

(2) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose automobile parking requirements for streamlined developments approved pursuant to this section that exceed one parking space per unit.

(f) (1) If a local government approves a development pursuant to this section, then, notwithstanding any other law, that approval shall not expire if the project includes public investment in housing affordability, beyond tax credits, where 50 percent of the units are affordable to households making at or below 80 percent of the area median income.

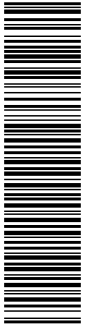
(2) (A) If a local government approves a development pursuant to this section and the project does not include 50 percent of the units affordable to households making at or below 80 percent of the area median income, that approval shall remain valid for three years from the date of the final action establishing that approval, or if litigation is filed challenging that approval, from the date of the final judgment upholding that approval. Approval shall remain valid for a project provided that vertical construction of the development has begun and is in progress. For purposes of this subdivision, "in progress" means one of the following:

(i) The construction has begun and has not ceased for more than 180 days.

(ii) If the development requires multiple building permits, an initial phase has been completed, and the project proponent has applied for and is diligently pursuing a building permit for a subsequent phase, provided that once it has been issued, the building permit for the subsequent phase does not lapse.

(B) Notwithstanding subparagraph (A), a local government may grant a project a one-time, one-year extension if the project proponent can provide documentation that there has been significant progress toward getting the development construction ready, such as filing a building permit application.

(3) If a local government approves a development pursuant to this section, that approval shall remain valid for three years from the date of the final action establishing that approval and shall remain valid thereafter for a project so long as vertical construction of the development has begun and is in progress. Additionally, the development proponent may request, and the local government shall have discretion to grant, an additional one-year extension to the original three-year period. The local



government's action and discretion in determining whether to grant the foregoing extension shall be limited to considerations and processes set forth in this section.

(g) (1) (A) A development proponent may request a modification to a development that has been approved under the streamlined, ministerial approval process provided in subdivision (b) if that request is submitted to the local government before the issuance of the final building permit required for construction of the development.

(B) Except as provided in paragraph (3), the local government shall approve a modification if it determines that the modification is consistent with the objective planning standards specified in subdivision (a) that were in effect when the original development application was first submitted.

(C) The local government shall evaluate any modifications requested pursuant to this subdivision for consistency with the objective planning standards using the same assumptions and analytical methodology that the local government originally used to assess consistency for the development that was approved for streamlined, ministerial approval pursuant to subdivision (b).

(D) A guideline that was adopted or amended by the department pursuant to subdivision (j) after a development was approved through the streamlined ministerial approval process described in subdivision (b) shall not be used as a basis to deny proposed modifications.

(2) Upon receipt of the developmental proponent's application requesting a modification, the local government shall determine if the requested modification is consistent with the objective planning standard and either approve or deny the modification request within 60 days after submission of the modification, or within 90 days if design review is required.

(3) Notwithstanding paragraph (1), the local government may apply objective planning standards adopted after the development application was first submitted to the requested modification in any of the following instances:

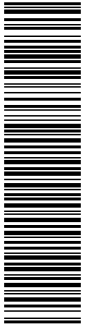
(A) The development is revised such that the total number of residential units or total square footage of construction changes by 15 percent or more.

(B) The development is revised such that the total number of residential units or total square footage of construction changes by 5 percent or more and it is necessary to subject the development to an objective standard beyond those in effect when the development application was submitted in order to mitigate or avoid a specific, adverse impact, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (j) of Section 65589.5, upon the public health or safety and there is no feasible alternative method to satisfactorily mitigate or avoid the adverse impact.

(C) Objective building standards contained in the California Building Standards Code (Title 24 of the California Code of Regulations), including, but not limited to, building plumbing, electrical, fire, and grading codes, may be applied to all modifications.

(4) The local government's review of a modification request pursuant to this subdivision shall be strictly limited to determining whether the modification, including any modification to previously approved density bonus concessions or waivers, modify the development's consistency with the objective planning standards and shall not reconsider prior determinations that are not affected by the modification.

(h) (1) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to



a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(2) A local government shall issue a subsequent permit required for a development approved under this section if the application substantially complies with the development as it was approved pursuant to subdivision (c). Upon receipt of an application for a subsequent permit, the local government shall process the permit without unreasonable delay and shall not impose any procedure or requirement that is not imposed on projects that are not approved pursuant to this section. Issuance of subsequent permits shall implement the approved development, and review of the permit application shall not inhibit, chill, or preclude the development. For purposes of this paragraph, a "subsequent permit" means a permit required subsequent to receiving approval under subdivision (c), and includes, but is not limited to, demolition, grading, encroachment, and building permits and final maps, if necessary.

(3) (A) If a public improvement is necessary to implement a development that is subject to the streamlined, ministerial approval pursuant to this section, including, but not limited to, a bicycle lane, sidewalk or walkway, public transit stop, driveway, street paving or overlay, a curb or gutter, a modified intersection, a street sign or street light, landscape or hardscape, an above-ground or underground utility connection, a water line, fire hydrant, storm or sanitary sewer connection, retaining wall, and any related work, and that public improvement is located on land owned by the local government, to the extent that the public improvement requires approval from the local government, the local government shall not exercise its discretion over any approval relating to the public improvement in a manner that would inhibit, chill, or preclude the development.

(B) If an application for a public improvement described in subparagraph (A) is submitted to a local government, the local government shall do all of the following:

(i) Consider the application based upon any objective standards specified in any state or local laws that were in effect when the original development application was submitted.

(ii) Conduct its review and approval in the same manner as it would evaluate the public improvement if required by a project that is not eligible to receive ministerial or streamlined approval pursuant to this section.

(C) If an application for a public improvement described in subparagraph (A) is submitted to a local government, the local government shall not do either of the following:

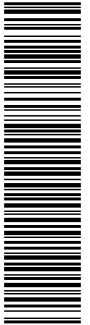
(i) Adopt or impose any requirement that applies to a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(ii) Unreasonably delay in its consideration, review, or approval of the application.

(i) (1) This section shall not affect a development proponent's ability to use any alternative streamlined by right permit processing adopted by a local government, including the provisions of subdivision (i) of Section 65583.2.

(2) This section shall not prevent a development from also qualifying as a housing development project entitled to the protections of Section 65589.5. This paragraph does not constitute a change in, but is declaratory of, existing law.

(j) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) does not apply to actions taken by a



state agency, local government, or the San Francisco Bay Area Rapid Transit District to:

(1) Lease, convey, or encumber land owned by the local government or the San Francisco Bay Area Rapid Transit District or to facilitate the lease, conveyance, or encumbrance of land owned by the local government, or for the lease of land owned by the San Francisco Bay Area Rapid Transit District in association with an eligible TOD project, as defined pursuant to Section 29010.1 of the Public Utilities Code, nor to any decisions associated with that lease, or to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(2) Approve improvements located on land owned by the local government or the San Francisco Bay Area Rapid Transit District that are necessary to implement a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(k) For purposes of this section, the following terms have the following meanings:

(1) "Affordable housing cost" has the same meaning as set forth in Section 50052.5 of the Health and Safety Code.

(2) "Affordable rent" has the same meaning as set forth in Section 50053 of the Health and Safety Code.

(3) "Department" means the Department of Housing and Community Development.

(4) "Development proponent" means the developer who submits an application for streamlined approval pursuant to this section.

(5) "Completed entitlements" means a housing development that has received all the required land use approvals or entitlements necessary for the issuance of a building permit.

(6) "Locality" or "local government" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(7) "Moderate income housing units" means housing units with an affordable housing cost or affordable rent for persons and families of moderate income, as that term is defined in Section 50093 of the Health and Safety Code.

(8) "Production report" means the information reported pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

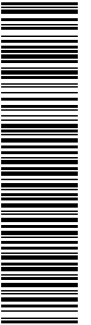
(9) "State agency" includes every state office, officer, department, division, bureau, board, and commission, but does not include the California State University or the University of California.

(10) "Subsidized" means units that are price or rent restricted such that the units are affordable to households meeting the definitions of very low and lower income, as defined in Sections 50079.5 and 50105 of the Health and Safety Code.

(11) "Reporting period" means either of the following:

(A) The first half of the regional housing needs assessment cycle.

(B) The last half of the regional housing needs assessment cycle.



(12) “Urban uses” means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(l) The department may review, adopt, amend, and repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, or standards set forth in this section. Any guidelines or terms adopted pursuant to this subdivision shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(m) The determination of whether an application for a development is subject to the streamlined ministerial approval process provided by subdivision (c) is not a “project” as defined in Section 21065 of the Public Resources Code.

(n) It is the policy of the state that this section be interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, increased housing supply.

(o) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 51. Section 66201 of the Government Code is amended to read:

66201. (a) A city, county, or city and county, upon receipt of preliminary approval by the department pursuant to Section 66202, may establish by ordinance a housing sustainability district in accordance with this chapter. The city, county, or city and county shall adopt the ordinance in accordance with the requirements of Chapter 4 (commencing with Section 65800).

(b) An area proposed to be designated a housing sustainability district pursuant to this chapter shall satisfy all of the following requirements:

(1) The area is an eligible location, including any adjacent area served by existing infrastructure and utilities.

(2) The area is zoned to permit residential use through the ministerial issuance of a permit. Other uses may be permitted by conditional use or other discretionary permit, provided that the use is consistent with residential use.

(3) Density ranges for multifamily housing for which the minimum densities shall not be less than those deemed appropriate to accommodate housing for lower income households as set forth in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2, and a density range for single-family attached or detached housing for which the minimum densities shall not be less than 10 units to the acre. A density range shall provide the minimum dwelling units per acre and the maximum dwelling units per acre.

(4) The development of housing is permitted, consistent with neighborhood building and use patterns and any applicable building codes.

(5) Limitations or moratoriums on residential use do not apply to any of the area, other than any limitation or moratorium imposed by court order.

(6) The area is not subject to any general age or other occupancy restrictions, except that the city, county, or city and county may allow for the development of specific projects exclusively for the elderly or the disabled or for assisted living.

(7) Housing units comply with all applicable federal, state, and local fair housing laws.

(8) The area of the proposed housing sustainability district does not exceed 15 percent of the total land area under the jurisdiction of the city, county, or city and



county unless the department approves a larger area in furtherance of the purposes of this chapter.

(9) The total area of all housing sustainability districts within the city, county, or city and county does not exceed 30 percent of the total land area under the jurisdiction of the city, county, or city and county.

(10) The housing sustainability district ordinance provides for the manner of review by an approving authority, as designated by the ordinance, pursuant to Section 66205 and in accordance with the rules and regulations adopted by the department.

(11) Development projects in the area comply with the requirements of Section 66208, regarding the replacement of affordable housing units affected by the development.

(c) The city, county, or city and county may apply uniform development policies or standards that will apply to all projects within the housing sustainability district, including parking ordinances, public access ordinances, grading ordinances, hillside development ordinances, flood plain ordinances, habitat or conservation ordinances, view protection ordinances, and requirements for reducing greenhouse gas emissions.

(d) The city, county, or city and county may provide for mixed-use development within the housing sustainability district.

(e) An amendment or repeal of a housing sustainability district ordinance shall not become effective unless the department provides written approval to the city, county, or city and county. The city, county, or city and county may request approval of a proposed amendment or repeal by submitting a written request to the department. The department shall evaluate the proposed amendment or repeal for the effect of that amendment or repeal on the city's, county's, or city and county's housing element. If the department does not respond to a written request for amendment or repeal of an ordinance within 60 days of receipt of that request, the request shall be deemed approved.

(f) The housing sustainability district ordinance shall do all of the following:

(1) Provide for an approving authority to review permit applications for development within the housing sustainability district in accordance with Section 66205.

(2) (A) Subject to subparagraph (B), require that at least 20 percent of the residential units constructed within the housing sustainability district be affordable to very low, low-, and moderate-income households and subject to a recorded affordability restriction for at least 55 years. A development that is affordable to persons and families whose income exceeds the income limit for persons and families of moderate income shall include no less than 10 percent of the units for lower income households at affordable housing cost, as defined by Section 50052.5 of the Health and Safety Code, unless the city, county, or city and county has adopted a local ordinance that requires that a greater percentage of the units be for lower income households, in which case that ordinance shall apply.

(B) For a city, county, or city and county that includes its entire regional housing needs allocation pursuant to Section 65584 within the housing sustainability district, the percentages of the total units constructed or substantially rehabilitated within the housing sustainability district shall match the percentages in each income category of the city's, county's, or city and county's regional housing need allocation.



(C) This section does not expand or contract the authority of a local government to adopt an ordinance, charter amendment, general plan amendment, specific plan, resolution, or other land use policy or regulation requiring that any housing development contain a fixed percentage of affordable housing units.

(3) Specify that a project is not deemed to be for residential use if it is infeasible for actual use as a single or multifamily residence.

(4) Require that an applicant for a permit for a project within the housing sustainability district do the following, as applicable:

(A) Certify to the approving authority that either of the following is true, as applicable:

(i) That the entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the project is not in its entirety a public work, that all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the ~~Chief of the Division~~ Executive Director of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the approving authority approves the application, then for those portions of the project that are not a public work all of the following shall apply:

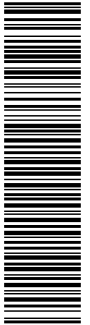
(I) The applicant shall include the prevailing wage requirement in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the ~~Chief of the Division~~ Executive Director of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) do not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subclause, "project labor agreement" has the same



meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) (i) For projects for which any of the following conditions apply, certify to the approving authority that a skilled and trained workforce will be used to complete the project if the approving authority approves the project application:

(I) On and after January 1, 2018, until December 31, 2021, the project consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2022, until December 31, 2025, the project consists of 50 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the project consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the project consists of more than 50 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2022, until December 31, 2025, the project consists of more than 25 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal bay county.

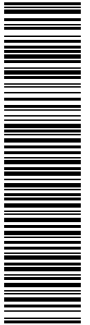
(ii) For purposes of this section, "skilled and trained workforce" has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(iii) If the applicant has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the project.

(III) Except as provided in subclause (IV), the applicant shall provide to the approving authority, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the approving authority pursuant to this subclause is a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of



Title 1) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code is subject to a civil penalty of ten thousand dollars (\$10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce is subject to a civil penalty of two hundred dollars (\$200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) does not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Notwithstanding subparagraphs (A) and (B), a project within a housing sustainability district that is subject to approval by the approving authority is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(i) The project includes 10 or fewer units.

(ii) The project is not a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(5) Provide that a project is not eligible for approval from the approving authority if it involved or involves a subdivision that is, or, notwithstanding this chapter, would otherwise be, subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)) or any other applicable law authorizing the subdivision of land, unless either of the following apply:

(A) The project has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (4).

(B) The project is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (4).

(6) Provide for relocation assistance for persons and families displaced from their residences due to development within the housing sustainability district.

(g) A housing sustainability district ordinance adopted pursuant to this section shall remain in effect for no more than 10 years, except that the city, county, or city and county may renew the housing sustainability district ordinance, for an additional period not exceeding 10 years, before the date upon which it would otherwise be repealed pursuant to this subdivision.

(h) This section shall not be construed to affect the authority of a city, county, or city and county to amend its zoning regulations pursuant to Chapter 4 (commencing with Section 65800), except to the extent that an amendment affects a housing sustainability district.



(i) The city, county, or city and county shall comply with Chapter 4.3 (commencing with Section 21155.10) of Division 13 of the Public Resources Code.

SEC. 52. Section 97012 of the Government Code is amended to read:

97012. The board is encouraged to form an executive steering committee with members from relevant state agencies and departments with expertise in public health, homelessness and housing, workforce development, economic development, and effective rehabilitative treatment for adult and juvenile offenders in the evaluation of the social innovation financing program, including, but not limited to, the Governor's Office of Business and Economic Development, the Department of Housing and Community Development, the ~~California Workforce Investment Board~~, Department of Better Jobs and Higher Wages, and the Office of Health Equity, to make recommendations to the board regarding the efficacy and viability of proposals.

SEC. 53. Section 25536.7 of the Health and Safety Code is amended to read:

25536.7. (a) (1) An owner or operator of a stationary source that is engaged in activities described in Code 324110 or 325110 of the North American Industry Classification System (NAICS), as that code read on January 1, 2014, and with one or more covered processes that is required to prepare and submit an RMP pursuant to this article, when contracting for the performance of construction, alteration, demolition, installation, repair, or maintenance work at the stationary source, shall require that its contractors and any subcontractors use a skilled and trained workforce to perform all onsite work within an apprenticeable occupation in the building and construction trades. This section shall not apply to oil and gas extraction operations.

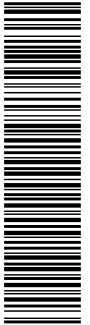
(2) The ~~Chief of the Division~~ Executive Director of Apprenticeship Standards of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages may approve a curriculum of in-person classroom and laboratory instruction for approved advanced safety training for workers at high hazard facilities. That safety training may be provided by an apprenticeship program approved by the ~~chief executive director~~ or by instruction provided by the Chancellor of the California Community Colleges. The ~~chief executive director~~ shall approve a curriculum in accordance with this paragraph by January 1, 2016, and shall periodically revise the curriculum to reflect current best practices. Upon receipt of certification from the apprenticeship program or community college, the ~~chief executive director~~ shall issue a certificate to a worker who completes the approved curriculum.

(3) For purposes of paragraph (2) of subdivision (b) of Section ~~3075~~ 9517 of the Labor Code, a stationary source covered by this section shall be considered in determining whether existing apprenticeship programs do not have the capacity, or have neglected or refused, to dispatch sufficient apprentices to qualified employers who are willing to abide by the applicable apprenticeship standards.

(4) This section does not apply to contracts awarded before January 1, 2014, unless the contract is extended or renewed after that date.

(5) (A) This section does not apply to the employees of the owner or operator of the stationary source or prevent the owner or operator of the stationary source from using its own employees to perform any work that has not been assigned to contractors while the employees of the contractor are present and working.

(B) An apprenticeship program approved by the ~~chief executive director~~ may enroll, with advanced standing, applicants with relevant prior work experience at a



stationary source that is subject to this section, in accordance with the approved apprenticeship standards of the program.

(6) The criteria of subparagraph (A) of paragraph (10) of subdivision (b), subparagraph (C) of paragraph (10) of subdivision (b), and subparagraph (B) of paragraph (11) of subdivision (b) shall not apply to either of the following:

(A) To the extent that the contractor has requested qualified workers from the local hiring halls that dispatch workers in the apprenticeable occupation and, due to workforce shortages, the contractor is unable to obtain sufficient qualified workers within 48 hours of the request, Saturdays, Sundays, and holidays excepted. This section does not prevent contractors from obtaining workers from any source.

(B) To the extent that compliance is impracticable because an emergency requires immediate action to prevent harm to public health or safety or to the environment, but the criteria applies as soon as the emergency is over or it becomes practicable for contractors to obtain a qualified workforce.

(7) The requirement specified in paragraph (1) for a skilled and trained workforce, as defined in paragraph (11) of subdivision (b), apply to each individual contractor's and subcontractor's onsite workforce.

(8) This section does not make the construction, alteration, demolition, installation, repair, or maintenance work at a stationary source that is subject to this section a public work, within the meaning of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code. This section does not preclude the use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(b) As used in this section:

(1) "Apprenticeable occupation" means an occupation for which the ~~chief executive director~~ has approved an apprenticeship program pursuant to Section ~~3075~~ 9517 of the Labor Code.

(2) "Approved advanced safety training for workers at high hazard facilities" means a curriculum approved by the ~~chief executive director~~ pursuant to paragraph (2) of subdivision (a).

(3) "Building and construction trades" has the same meaning as in Section ~~3075.5~~ 9519 of the Labor Code.

(4) ~~"Chief" means the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations.~~

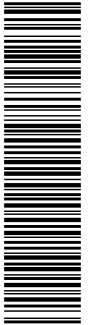
~~(5)~~

(4) "Construction," "alteration," "demolition," "installation," "repair," and "maintenance" have the same meanings as in Sections 1720 and 1771 of the Labor Code.

(5) "Executive director" means the Executive Director of Apprenticeship Standards of the Department of Better Jobs and Higher Wages.

(6) "Graduate of an apprenticeship program" means either of the following:

(A) An individual that has been issued a certificate of completion under the authority of the California Apprenticeship Council ~~or the chief~~ for completing an apprenticeship program approved by the ~~chief executive director~~ pursuant to Section ~~3075~~ 9517 of the Labor Code.



(B) An individual that has completed an apprenticeship program located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(7) "Onsite work" shall not include catalyst handling and loading, chemical cleaning, or inspection and testing that was not within the scope of a prevailing wage determination issued by the Director of Industrial Relations as of January 1, 2013.

(8) "Prevailing hourly wage rate" means the general prevailing rate of per diem wages, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, but does not include shift differentials, travel and subsistence, or holiday pay. Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing does not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(9) "Registered apprentice" means an apprentice registered in an apprenticeship program approved by the ~~chief executive director~~ pursuant to Section ~~3075.9517~~ of the Labor Code who is performing work covered by the standards of that apprenticeship program and receiving the supervision required by the standards of that apprenticeship program.

(10) "Skilled journeyman" means a worker who meets all of the following criteria:

(A) The worker either graduated from an apprenticeship program for the applicable occupation that was approved by the ~~chief executive director~~, or has at least as many hours of on-the-job experience in the applicable occupation that would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the ~~chief executive director~~.

(B) The worker is being paid at least a rate equivalent to the prevailing hourly wage rate for a journeyman in the applicable occupation and geographic area.

(C) The worker has completed within the prior three calendar years at least 20 hours of approved advanced safety training for workers at high hazard facilities. This requirement applies only to work performed on or after July 1, 2018.

(11) "Skilled and trained workforce" means a workforce that meets both of the following criteria:

(A) All the workers are either registered apprentices or skilled journeymen.

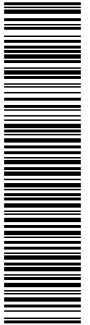
(B) (i) As of January 1, 2014, at least 30 percent of the skilled journeymen are graduates of an apprenticeship program for the applicable occupation.

(ii) As of January 1, 2015, at least 45 percent of the skilled journeymen are graduates of an apprenticeship program for the applicable occupation.

(iii) As of January 1, 2016, at least 60 percent of the skilled journeymen are graduates of an apprenticeship program for the applicable occupation.

SEC. 54. Section 44272 of the Health and Safety Code is amended to read:

44272. (a) The Alternative and Renewable Fuel and Vehicle Technology Program is hereby created. The program shall be administered by the commission. The commission shall implement the program by regulation pursuant to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The program shall provide, upon appropriation by the Legislature, competitive grants, revolving loans, loan guarantees, loans, or other appropriate funding measures to public agencies, vehicle and technology entities,



businesses and projects, public-private partnerships, workforce training partnerships and collaboratives, fleet owners, consumers, recreational boaters, and academic institutions to develop and deploy innovative technologies that transform California's fuel and vehicle types to help attain the state's climate change policies. The emphasis of this program shall be to develop and deploy technology and alternative and renewable fuels in the marketplace, without adopting any one preferred fuel or technology.

(b) A project that receives more than seventy-five thousand dollars (\$75,000) in funds from the commission shall be approved at a noticed public meeting of the commission and shall be consistent with the priorities established by the investment plan adopted pursuant to Section 44272.5. Under this article, the commission may delegate to the commission's executive director, or ~~his or her~~ their designee, the authority to approve either of the following:

(1) A contract, grant, loan, or other agreement or award that receives seventy-five thousand dollars (\$75,000) or less in funds from the commission.

(2) Amendments to a contract, grant, loan, or other agreement or award as long as the amendments do not increase the amount of the award, change the scope of the project, or modify the purpose of the agreement.

(c) The commission shall provide preferences to those projects that maximize the goals of the Alternative and Renewable Fuel and Vehicle Technology Program, based on the following criteria, as applicable:

(1) The project's ability to provide a measurable transition from the nearly exclusive use of petroleum fuels to a diverse portfolio of viable alternative fuels that meet petroleum reduction and alternative fuel use goals.

(2) The project's consistency with existing and future state climate change policy and low-carbon fuel standards.

(3) The project's ability to reduce criteria air pollutants and air toxics and reduce or avoid multimedia environmental impacts.

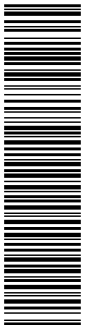
(4) The project's ability to decrease, on a life-cycle basis, the discharge of water pollutants or any other substances known to damage human health or the environment, in comparison to the production and use of California Phase 2 Reformulated Gasoline or diesel fuel produced and sold pursuant to California diesel fuel regulations set forth in Article 2 (commencing with Section 2280) of Chapter 5 of Division 3 of Title 13 of the California Code of Regulations.

(5) The project does not adversely impact the sustainability of the state's natural resources, especially state and federal lands.

(6) The project provides nonstate matching funds. Costs incurred from the date a proposed award is noticed may be counted as nonstate matching funds. The commission may adopt further requirements for the purposes of this paragraph. The commission is not liable for costs incurred pursuant to this paragraph if the commission does not give final approval for the project or the proposed recipient does not meet requirements adopted by the commission pursuant to this paragraph.

(7) The project provides economic benefits for California by promoting California-based technology firms, jobs, and businesses.

(8) The project uses existing or proposed fueling infrastructure to maximize the outcome of the project.



(9) The project's ability to reduce on a life-cycle assessment greenhouse gas emissions by at least 10 percent, and higher percentages in the future, from current reformulated gasoline and diesel fuel standards established by the state board.

(10) The project's use of alternative fuel blends of at least 20 percent, and higher blend ratios in the future, with a preference for projects with higher blends.

(11) The project drives new technology advancement for vehicles, vessels, engines, and other equipment, and promotes the deployment of that technology in the marketplace.

(12) The project's ability to transition workers to, or promote employment in, the alternative and renewable fuel and vehicle technology sector.

(d) The commission shall rank applications for projects proposed for funding awards based on solicitation criteria developed in accordance with subdivision (c), and shall give additional preference to funding those projects with higher benefit-cost scores.

(e) Only the following shall be eligible for funding:

(1) Alternative and renewable fuel projects to develop and improve alternative and renewable low-carbon fuels, including electricity, ethanol, dimethyl ether, renewable diesel, natural gas, hydrogen, and biomethane, among others, and their feedstocks that have high potential for long-term or short-term commercialization, including projects that lead to sustainable feedstocks.

(2) Demonstration and deployment projects that optimize alternative and renewable fuels for existing and developing engine technologies.

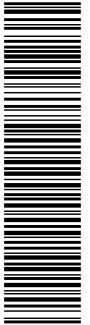
(3) Projects to produce alternative and renewable low-carbon fuels in California.

(4) Projects to decrease the overall impact of an alternative and renewable fuel's life-cycle carbon footprint and increase sustainability.

(5) Alternative and renewable fuel infrastructure, fueling stations, and equipment. The preference in paragraph (10) of subdivision (c) shall not apply to renewable diesel or biodiesel infrastructure, fueling stations, and equipment used solely for renewable diesel or biodiesel fuel.

(6) Projects to develop and improve light-, medium-, and heavy-duty vehicle technologies that provide for better fuel efficiency and lower greenhouse gas emissions, alternative fuel usage and storage, or emission reductions, including propulsion systems, advanced internal combustion engines with a 40 percent or better efficiency level over the current market standard, lightweight materials, intelligent transportation systems, energy storage, control systems and system integration, physical measurement and metering systems and software, development of design standards and testing and certification protocols, battery recycling and reuse, engine and fuel optimization electronic and electrified components, hybrid technology, plug-in hybrid technology, battery electric vehicle technology, fuel cell technology, and conversions of hybrid technology to plug-in technology through the installation of safety certified supplemental battery modules.

(7) Programs and projects that accelerate the commercialization of vehicles and alternative and renewable fuels including buy-down programs through near-market and market-path deployments, advanced technology warranty or replacement insurance, development of market niches, supply-chain development, and research related to the pedestrian safety impacts of vehicle technologies and alternative and renewable fuels.



(8) Programs and projects to retrofit medium- and heavy-duty onroad and nonroad vehicle fleets with technologies that create higher fuel efficiencies, including alternative and renewable fuel vehicles and technologies, idle management technology, and aerodynamic retrofits that decrease fuel consumption.

(9) Infrastructure projects that promote alternative and renewable fuel infrastructure development connected with existing fleets, public transit, and existing transportation corridors, including physical measurement or metering equipment and truck stop electrification.

(10) Workforce training programs related to the development and deployment of technologies that transform California's fuel and vehicle types and assist the state in implementing its climate change policies, including, but not limited to, alternative and renewable fuel feedstock production and extraction; renewable fuel production, distribution, transport, and storage; high-performance and low-emission vehicle technology and high tower electronics; automotive computer systems; mass transit fleet conversion, servicing, and maintenance; and other sectors or occupations related to the purposes of this chapter, including training programs to transition dislocated workers affected by the state's greenhouse gas emission policies, including those from fossil fuel sectors, or training programs for low-skilled workers to enter or continue in a career pathway that leads to middle skill, industry-recognized credentials or state-approved apprenticeship opportunities in occupations related to the purposes of this chapter.

(11) Block grants or incentive programs administered by public entities or not-for-profit technology entities for multiple projects, education and program promotion within California, and development of alternative and renewable fuel and vehicle technology centers. The commission may adopt guidelines for implementing the block grant or incentive program, which shall be approved at a noticed public meeting of the commission.

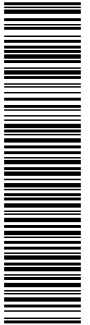
(12) Life-cycle and multimedia analyses, sustainability and environmental impact evaluations, and market, financial, and technology assessments performed by a state agency to determine the impacts of increasing the use of low-carbon transportation fuels and technologies, and to assist in the preparation of the investment plan and program implementation.

(13) A program to provide funding for homeowners who purchase a plug-in electric vehicle to offset costs associated with modifying electrical sources to include a residential plug-in electric vehicle charging station. In establishing this program, the commission shall consider funding criteria to maximize the public benefit of the program.

(f) The commission may make a single source or sole source award pursuant to this section for applied research. The same requirements set forth in Section 25620.5 of the Public Resources Code shall apply to awards made on a single source basis or a sole source basis. This subdivision does not authorize the commission to make a single source or sole source award for a project or activity other than for applied research.

(g) The commission may do all of the following:

(1) Contract with the Treasurer to expend funds through programs implemented by the Treasurer, if the expenditure is consistent with all of the requirements of this article and Article 1 (commencing with Section 44270).



(2) Contract with small business financial development corporations established by the Governor's Office of Business and Economic Development to expend funds through the Small Business Loan Guarantee Program if the expenditure is consistent with all of the requirements of this article and Article 1 (commencing with Section 44270).

(3) Advance funds, pursuant to an agreement with the commission, to any of the following:

(A) A public entity.

(B) A recipient to enable it to make advance payments to a public entity that is a subrecipient of the funds and under a binding and enforceable subagreement with the recipient.

(C) An administrator of a block grant program.

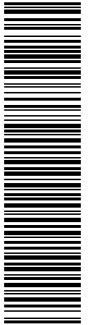
(h) The commission shall collaborate with entities that have expertise in workforce development to implement the workforce development components of this section, including, but not limited to, the Department of Better Jobs and Higher Wages, the California Workforce Development Board, the Employment Training Panel, the Employment Development Department, and the Division of Apprenticeship Standards.

SEC. 55. Section 50955 of the Health and Safety Code is amended to read:

50955. (a) The agency and every housing sponsor shall require that occupancy of housing developments assisted under this part shall be open to all regardless of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, that contractors and subcontractors engaged in the construction of housing developments shall provide an equal opportunity for employment, without discrimination as to any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, and except as otherwise provided in Section 12940 of the Government Code, and that contractors and subcontractors shall submit and receive approval of an affirmative action program prior to the commencement of construction or rehabilitation. Affirmative action requirements respecting apprenticeship shall be consistent with Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

All contracts for the management, construction, or rehabilitation of housing developments, and contracts let by housing sponsors, contractors, and subcontractors in the performance of management, construction, or rehabilitation, shall be let without discrimination as to any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code, and pursuant to an affirmative action program, which shall be at not less than the Federal Housing Administration affirmative action standards unless the board makes a specific finding that the particular requirement would be unworkable. The agency shall periodically review implementation of affirmative action programs required by this section.

It shall be the policy of the agency and housing sponsors to encourage participation with respect to all projects by minority developers, builders, and entrepreneurs in all levels of construction, planning, financing, and management of



housing developments. In areas of minority concentration the agency shall require significant participation of minorities in the sponsorship, construction, planning, financing, and management of housing developments. The agency shall (1) require that, to the greatest extent feasible, opportunities for training and employment arising in connection with the planning, construction, rehabilitation, and operation of housing developments financed pursuant to this part be given to persons of low income residing in the area of that housing, and (2) determine and implement means to secure the participation of small businesses in the performance of contracts for work on housing developments and to develop the capabilities of these small businesses to more efficiently and competently participate in the economic mainstream. In order to achieve this participation by small businesses, the agency may, among other things, waive retention requirements otherwise imposed on contractors or subcontractors by regulation of the agency and may authorize or make advance payments for work to be performed. The agency shall develop relevant selection criteria for the participation of small businesses to ensure that, to the greatest extent feasible, the participants possess the necessary nonfinancial capabilities. The agency may, with respect to these small businesses, waive bond requirements otherwise imposed upon contractors or subcontractors by regulation of the agency, but the agency shall in that case substantially reduce the risk through (1) a pooled-risk bonding program, (2) a bond program in cooperation with other federal or state agencies, or (3) development of a self-insured bonding program with adequate reserves.

The agency shall adopt rules and regulations to implement this section.

Prior to commitment of a mortgage loan, the agency shall require each housing sponsor, except with respect to mutual self-help housing, to submit an affirmative marketing program that meets standards set forth in regulations of the agency. The agency shall require each housing sponsor to conduct the affirmative marketing program so approved. Additionally, the agency shall supplement the efforts of individual housing sponsors by conducting affirmative marketing programs with respect to housing at the state level.

(b) Notwithstanding subdivision (a), with respect to familial status, subdivision (a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in subdivision (a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51, Section 4760, and Section 6714 of the Civil Code, and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to subdivision (a).

SEC. 56. Section 19 of the Labor Code is amended to read:

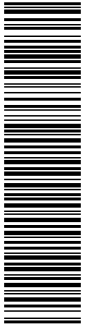
19. "Department" means Department of Industrial ~~Relations~~. Relations, except as used in Division 6 (commencing with Section 9200).

SEC. 57. Section 20 of the Labor Code is amended to read:

20. "Director" means Director of Industrial ~~Relations~~. Relations, except as used in Division 6 (commencing with Section 9200).

SEC. 58. Section 56 of the Labor Code is amended to read:

56. The work of the department shall be divided into at least ~~five~~ four divisions known as the Division of Workers' Compensation, the Division of Occupational Safety and Health, the Division of Labor Standards Enforcement, ~~the Division of Apprenticeship Standards~~, and the State Compensation Insurance Fund.



SEC. 59. Section 108.2 of the Labor Code is amended to read:

108.2. (a) Persons who perform work as electricians shall become certified pursuant to Section 108. Uncertified persons shall not perform electrical work for which certification is required.

(b) (1) Certification is required only for those persons who perform work as electricians for contractors licensed as class C-10 electrical contractors under the Contractors' State License Board Rules and Regulations.

(2) Certification is not required for persons performing work for contractors licensed as class C-7 low voltage systems or class C-45 electric sign contractors as long as the work performed is within the scope of the class C-7 or class C-45 license, including incidental and supplemental work as defined in Section 7059 of the Business and Professions Code, and regardless of whether the same contractor is also licensed as a class C-10 contractor.

(3) Certification is not required for work performed by a worker on a high-voltage electrical transmission or distribution system owned by a local publicly owned electric utility, as defined in Section 224.3 of the Public Utilities Code; an electrical corporation, as defined in Section 218 of the Public Utilities Code; a person, as defined in Section 205 of the Public Utilities Code; or a corporation, as defined in Section 204 of the Public Utilities Code; when the worker is employed by the utility or a licensed contractor principally engaged in installing or maintaining transmission or distribution systems.

(4) Individuals desiring to be certified shall submit an application for certification and examination that includes an employment history report from the Social Security Administration. The individual may redact ~~his or her~~ their social security number from the employment history report before it is submitted.

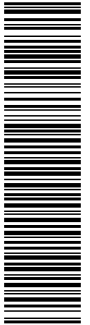
(c) The division shall maintain separate certifications for general electrician, fire/life safety technician, residential electrician, voice data video technician, and nonresidential lighting technician.

(d) Notwithstanding subdivision (a), certification is not required for registered apprentices performing electrical work as part of an apprenticeship program approved under ~~Chapter 4 of Division 3 (commencing with Section 3070), Part 4 (commencing with Section 9500) of Division 6~~, a federal Office of Apprenticeship program, or a state apprenticeship program authorized by the federal Office of Apprenticeship. An apprentice who is within one year of completion of ~~his or her~~ their term of apprenticeship shall be permitted to take the certification examination and, upon passing the examination, shall be certified immediately upon completion of the term of apprenticeship.

(e) Notwithstanding subdivision (a), certification is not required for any person employed pursuant to Section 108.4.

(f) Notwithstanding subdivision (a), certification is not required for a nonresidential lighting trainee (1) who is enrolled in an on-the-job instructional training program approved by the ~~Chief Executive Director~~ of the Division of Apprenticeship Standards pursuant to Section ~~3090~~, 9540 and (2) who is under the onsite supervision of a nonresidential lighting technician certified pursuant to Section 108.

(g) Notwithstanding subdivision (a), the qualifying person for a class C-10 electrical contractor license issued by the Contractors' State License Board need not also be certified pursuant to Section 108 to perform electrical work for that licensed



contractor or to supervise an uncertified person employed by that licensed contractor pursuant to Section 108.4.

(h) The following shall constitute additional grounds for disciplinary proceedings, including suspension or revocation of the license of a class C-10 electrical contractor pursuant to Article 7 (commencing with Section 7090) of Chapter 9 of Division 3 of the Business and Professions Code:

(1) The contractor willfully employs one or more uncertified persons to perform work as electricians in violation of this section.

(2) The contractor willfully fails to provide the adequate supervision of uncertified workers required by paragraph (3) of subdivision (a) of Section 108.4.

(3) The contractor willfully fails to provide adequate supervision of apprentices performing work pursuant to subdivision (d).

(i) The Labor Commissioner shall maintain a process for referring cases to the Contractors' State License Board when it has been determined that a violation of this section has likely occurred. The Labor Commissioner shall have a memorandum of understanding with the Registrar of Contractors in furtherance of this section.

(j) Upon receipt of a referral by the Labor Commissioner alleging a violation under this section, the Registrar of Contractors shall open an investigation. Any disciplinary action against the licensee shall be initiated within 60 days of the receipt of the referral. The Registrar of Contractors may initiate disciplinary action against any licensee upon ~~his or her~~ their own investigation, the filing of any complaint, or any finding that results from a referral from the Labor Commissioner alleging a violation under this section. Failure of the employer or employee to provide evidence of certification or trainee status shall create a rebuttable presumption of violation of this provision.

(k) For the purposes of this section, "electricians" has the same meaning as the definition set forth in Section 108.

SEC. 60. Section 108.3 of the Labor Code is amended to read:

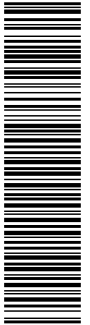
108.3. The Division of Labor Standards Enforcement shall do all of the following:

(a) Make information about electrician certification available in non-English languages spoken by a substantial number of construction workers, as defined in Section 7296.2 of the Government Code.

(b) Provide for the administration of certification tests in Spanish and, to the extent practicable, other non-English languages spoken by a substantial number of applicants, as defined in Section 7296.2 of the Government Code, except insofar as the ability to understand warning signs, instructions, and certain other information in English is necessary for safety reasons.

(c) Ensure, in conjunction with the California Apprenticeship Council, that all electrician apprenticeship programs approved under ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 that impose minimum formal education requirements as a condition of entry provide for reasonable alternative means of satisfying those requirements.

(d) Ensure, in conjunction with the California Apprenticeship Council, that all electrician apprenticeship programs approved under ~~Chapter 4 (commencing with Section 3070) of Division 3~~ Part 4 (commencing with Section 9500) of Division 6 have



adopted reasonable procedures for granting credit toward a term of apprenticeship for other vocational training and on-the-job training experience.

SEC. 61. Section 151 of the Labor Code is amended to read:

151. (a) The department shall conduct an annual survey of the ethnic derivation of the individuals who are parties to apprentice agreements described in ~~Section 3077.9525~~. In conducting this survey, the division shall use any pertinent data which the federal government may provide to avoid duplication of effort.

(b) The Division of Apprenticeship Standards shall cooperate in the accomplishment of the survey required by this section. The occasion of this survey may be used to gather such additional current data as may be of benefit to apprenticeship programs.

(c) Data gathered pursuant to this section shall not be evidence per se of an unlawful employment practice.

(d) Nothing in this section shall be construed to authorize any state agency to require an employer to employ a specified percentage of individuals of any particular ethnic derivation irrespective of such individuals' qualifications for employment.

SEC. 62. Section 1295 of the Labor Code is amended to read:

1295. (a) Sections 1292, 1293, 1294, and 1294.5 shall not apply to any of the following:

(1) Courses of training in vocational or manual training schools or in state institutions.

(2) Apprenticeship training provided in an apprenticeship training program established pursuant to ~~Chapter 4 (commencing with Section 3070) of Division 3, Part 4 (commencing with Section 9500) of Division 6~~.

(3) Work experience education programs conducted pursuant to either or both Section 29007.5 and Article 5.5 (commencing with Section 5985) of Chapter 6 of Division 6 of the Education Code, provided that the work experience coordinator determines that the students have been sufficiently trained in the employment or work otherwise prohibited by these sections, if parental approval is obtained, and the principal or the counselor of the student has determined that the progress of the student toward graduation will not be impaired.

(b) Section 1294.1 shall not apply to the following persons as provided by Section 570.72 of Title 29 of the Code of Federal Regulations:

(1) Student-learners in a bona fide vocational agriculture program working in the occupations specified in paragraph (1) of subdivision (a) of Section 1294.1 under a written agreement that provides that the student-learner's work is incidental to training, intermittent, for short periods of time, and under close supervision of a qualified person, and includes all of the following:

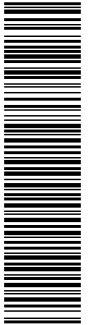
(A) Safety instructions given by the school and correlated with the student-learners's on-the-job training.

(B) A schedule of organized and progressive work processes for the student-learner.

(C) The name of the student-learner.

(D) The signature of the employer and a school authority, each of whom must keep copies of the agreement.

(2) Minors 14 or 15 years of age who hold certificates of completion of either a tractor operation or a machine operation program and who are working in the



occupations for which they have been trained. These certificates are valid only for the occupations specified in paragraph (1) of subdivision (a) of Section 1294.1. Farmers employing minors who have completed this program shall keep a copy of the certificates of completion on file with the minor's records.

(3) Minors 14 and 15 years old who hold certificates of completion of either a tractor operation or a machine operation program of the United States Office of Education Vocational Agriculture Training Program and are working in the occupations for which they have been trained. These certificates are valid only for the occupations specified in paragraph (1) of subdivision (a) of Section 1294.1. Farmers employing minors who have completed this program shall keep a copy of the certificate of completion on file with the minor's records.

SEC. 63. Section 1401 of the Labor Code is amended to read:

1401. (a) An employer may not order a mass layoff, relocation, or termination at a covered establishment unless, 60 days before the order takes effect, the employer gives written notice of the order to the following:

- (1) The employees of the covered establishment affected by the order.
- (2) ~~The Employment Development Department, Department of Better Jobs and Higher Wages, the local workforce investment development board, and the chief elected official of each city and county government within which the termination, relocation, or mass layoff occurs.~~

(b) An employer required to give notice of any mass layoff, relocation, or termination under this chapter shall include in its notice the elements required by the federal Worker Adjustment and Retraining Notification Act (29 U.S.C. Sec. 2101 et seq.).

(c) Notwithstanding the requirements of subdivision (a), an employer is not required to provide notice if a mass layoff, relocation, or termination is necessitated by a physical calamity or act of war.

SEC. 64. Section 1773.1 of the Labor Code is amended to read:

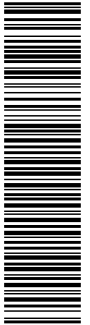
1773.1. (a) Per diem wages, as the term is used in this chapter or in any other statute applicable to public works, includes employer payments for the following:

- (1) Health and welfare.
- (2) Pension.
- (3) Vacation.
- (4) Travel.
- (5) Subsistence.
- (6) Apprenticeship or other training programs authorized by ~~Section 3093, 9544,~~ to the extent that the cost of training is reasonably related to the amount of the contributions.

(7) Worker protection and assistance programs or committees established under the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a), to the extent that the activities of the programs or committees are directed to the monitoring and enforcement of laws related to public works.

(8) Industry advancement and collective bargaining agreements administrative fees, provided that these payments are made pursuant to a collective bargaining agreement to which the employer is obligated.

(9) Other purposes similar to those specified in paragraphs (1) to (5), inclusive; or other purposes similar to those specified in paragraphs (6) to (8), inclusive, if the



payments are made pursuant to a collective bargaining agreement to which the employer is obligated.

(b) Employer payments include all of the following:

(1) The rate of contribution irrevocably made by the employer to a trustee or third person pursuant to a plan, fund, or program.

(2) The rate of actual costs to the employer reasonably anticipated in providing benefits to workers pursuant to an enforceable commitment to carry out a financially responsible plan or program communicated in writing to the workers affected.

(3) Payments to the California Apprenticeship Council pursuant to Section 1777.5.

(c) Employer payments are a credit against the obligation to pay the general prevailing rate of per diem wages. However, credit shall not be granted for benefits required to be provided by other state or federal law, for payments made to monitor and enforce laws related to public works if those payments are not made to a program or committee established under the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a), or for payments for industry advancement and collective bargaining agreement administrative fees if those payments are not made pursuant to a collective bargaining agreement to which the employer is obligated. Credits for employer payments also shall not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing. However, an increased employer payment contribution that results in a lower hourly straight time or overtime wage shall not be considered a violation of the applicable prevailing wage determination if all of the following conditions are met:

(1) The increased employer payment is made pursuant to criteria set forth in a collective bargaining agreement.

(2) The basic hourly rate and increased employer payment are no less than the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the director's general prevailing wage determination.

(3) The employer payment contribution is irrevocable unless made in error.

(d) An employer may take credit for an employer payment specified in subdivision (b), even if contributions are not made, or costs are not paid, during the same pay period for which credit is taken, if the employer regularly makes the contributions, or regularly pays the costs, for the plan, fund, or program on no less than a quarterly basis.

(e) The credit for employer payments shall be computed on an annualized basis when the employer seeks credit for employer payments that are higher for public works projects than for private construction performed by the same employer, unless one or more of the following occur:

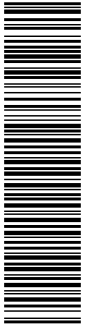
(1) The employer has an enforceable obligation to make the higher rate of payments on future private construction performed by the employer.

(2) The higher rate of payments is required by a project labor agreement.

(3) The payments are made to the California Apprenticeship Council pursuant to Section 1777.5.

(4) The director determines that annualization would not serve the purposes of this chapter.

(f) (1) For the purpose of determining those per diem wages for contracts, the representative of any craft, classification, or type of worker needed to execute contracts



shall file with the Department of Industrial Relations fully executed copies of the collective bargaining agreements for the particular craft, classification, or type of work involved. The collective bargaining agreements shall be filed after their execution and thereafter may be taken into consideration pursuant to Section 1773 whenever they are filed 30 days prior to the call for bids. If the collective bargaining agreement has not been formalized, a typescript of the final draft may be filed temporarily, accompanied by a statement under penalty of perjury as to its effective date.

(2) When a copy of the collective bargaining agreement has previously been filed, fully executed copies of all modifications and extensions of the agreement that affect per diem wages or holidays shall be filed.

(3) The failure to comply with filing requirements of this subdivision shall not be grounds for setting aside a prevailing wage determination if the information taken into consideration is correct.

SEC. 65. Section 1777.1 of the Labor Code is amended to read:

1777.1. (a) Whenever a contractor or subcontractor performing a public works project pursuant to this chapter is found by the Labor Commissioner to be in violation of this chapter with intent to defraud, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period of not less than one year or more than three years to do either of the following:

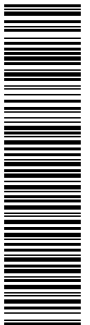
- (1) Bid on or be awarded a contract for a public works project.
- (2) Perform work as a subcontractor on a public works project.

(b) Whenever a contractor or subcontractor performing a public works project pursuant to this chapter is found by the Labor Commissioner to have committed two or more separate willful violations of this chapter within a three-year period, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period up to three years to do either of the following:

- (1) Bid on or be awarded a contract for a public works project.
- (2) Perform work as a subcontractor on a public works project.

(c) Whenever a contractor or subcontractor performing a public works project has failed to provide a timely response to a request by the Division of Labor Standards Enforcement, ~~the Division of Apprenticeship Standards~~, or the awarding body to produce certified payroll records pursuant to Section 1776, the Labor Commissioner shall notify the contractor or subcontractor that, in addition to any other penalties provided by law, the contractor or subcontractor will be subject to debarment under this section if the certified payroll records are not produced within 30 days after receipt of the written notice. If the commissioner finds that the contractor or subcontractor has failed to comply with Section 1776 by that deadline, unless the commissioner finds that the failure to comply was due to circumstances outside the contractor's or subcontractor's control, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period of not less than one year and not more than three years to do either of the following:

- (1) Bid on or be awarded a contract for a public works project.
- (2) Perform work as a subcontractor on a public works project.



(d) (1) In the event a contractor or subcontractor is determined by the Labor Commissioner to have knowingly committed a serious violation of any provision of Section 1777.5, the Labor Commissioner may also deny to the contractor or subcontractor, and to its responsible officers, the right to bid on or to be awarded or perform work as a subcontractor on any public works contract for a period of up to one year for the first violation and for a period of up to three years for a second or subsequent violation. Each period of debarment shall run from the date the determination of noncompliance by the Labor Commissioner becomes a final order.

(2) The Labor Commissioner shall consider, in determining whether a violation is serious, and in determining whether and for how long a party should be debarred for violating Section 1777.5, all of the following circumstances:

(A) Whether the violation was intentional.

(B) Whether the party has committed other violations of Section 1777.5.

(C) Whether, upon notice of the violation, the party took steps to voluntarily remedy the violation.

(D) Whether, and to what extent, the violation resulted in lost training opportunities for apprentices.

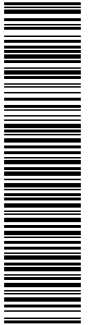
(E) Whether, and to what extent, the violation otherwise harmed apprentices or apprenticeship programs.

(e) A willful violation occurs when the contractor or subcontractor knew or reasonably should have known of ~~his or her~~ their obligations under the public works law and deliberately fails or deliberately refuses to comply with its provisions.

(f) The Labor Commissioner shall publish on the commissioner's ~~Internet Web site~~ internet website a list of contractors who are ineligible to bid on or be awarded a public works contract, or to perform work as a subcontractor on a public works project pursuant to this chapter. The list shall contain the name of the contractor, the Contractors' State License Board license number of the contractor, and the effective period of debarment of the contractor. Contractors shall be added to the list upon issuance of a debarment order and the commissioner shall also notify the Contractors' State License Board when the list is updated. At least annually, the commissioner shall notify awarding bodies of the availability of the list of debarred contractors. The commissioner shall also place advertisements in construction industry publications targeted to the contractors and subcontractors, chosen by the commissioner, that state the effective period of the debarment and the reason for debarment. The advertisements shall appear one time for each debarment of a contractor in each publication chosen by the commissioner. The debarred contractor or subcontractor shall be liable to the commissioner for the reasonable cost of the advertisements, not to exceed five thousand dollars (\$5,000). The amount paid to the commissioner for the advertisements shall be credited against the contractor's or subcontractor's obligation to pay civil fines or penalties for the same willful violation of this chapter.

(g) For purposes of this section, "contractor or subcontractor" means a firm, corporation, partnership, or association and its responsible managing officer, as well as any supervisors, managers, and officers found by the Labor Commissioner to be personally and substantially responsible for the willful violation of this chapter.

(h) For the purposes of this section, the term "any interest" means an interest in the entity bidding or performing work on the public works project, whether as an owner, partner, officer, manager, employee, agent, consultant, or representative. "Any interest"



includes, but is not limited to, all instances where the debarred contractor or subcontractor receives payments, whether cash or any other form of compensation, from any entity bidding or performing work on the public works project, or enters into any contracts or agreements with the entity bidding or performing work on the public works project for services performed or to be performed for contracts that have been or will be assigned or sublet, or for vehicles, tools, equipment, or supplies that have been or will be sold, rented, or leased during the period from the initiation of the debarment proceedings until the end of the term of the debarment period. "Any interest" does not include shares held in a publicly traded corporation if the shares were not received as compensation after the initiation of debarment from an entity bidding or performing work on a public works project.

(i) For the purposes of this section, the term "entity" is defined as a company, limited liability company, association, partnership, sole proprietorship, limited liability partnership, corporation, business trust, or organization.

(j) The Labor Commissioner shall adopt rules and regulations for the administration and enforcement of this section.

SEC. 66. Section 1777.5 of the Labor Code is amended to read:

1777.5. (a) (1) This chapter does not prevent the employment upon public works of properly registered apprentices who are active participants in an approved apprenticeship program.

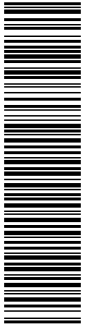
(2) For purposes of this chapter, "apprenticeship program" means a program under the jurisdiction of the California Apprenticeship Council established pursuant to Section ~~3070~~ 9502.

(b) (1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which ~~he or she is~~ they are registered and shall be employed only at the work of the craft or trade to which ~~he or she is~~ they are registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which ~~he or she is~~ they are registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and ~~he or she fails~~ they fail to pass that test.

(c) Only apprentices, as defined in Section ~~3077~~ 9525, who are in training under apprenticeship standards that have been approved by the Chief Executive Director of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under ~~Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6~~ are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which ~~he or she is~~ they are training.



(2) The rules and regulations of the California Apprenticeship Council.

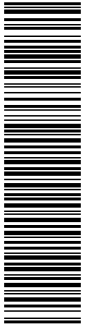
(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. "Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body, if requested by the awarding body. Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates if the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite.



When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeship, upon application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or who has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that ~~he or she employs~~ they employ apprentices in a particular craft or trade in the state on all of ~~his or her~~ their contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.

(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

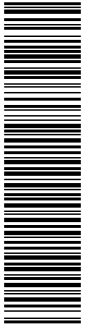
(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize ~~his or her~~ the apprentice's life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m) (1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing ~~his or her~~ their bid for the contract.

(2) (A) At the conclusion of the 2002-03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions



received by the council under this subdivision, less the expenses of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

(i) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages for the administration and enforcement of apprenticeship and preapprenticeship standards and requirements under this code.

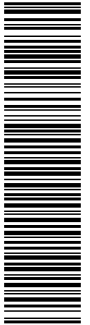
(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages so that the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of ~~Industrial Relations~~ Better Jobs and Higher Wages shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages may initiate the process to rescind the registration of the apprenticeship program.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this section for all apprenticeable occupations with the prime contractor.

(o) This section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor



when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars (\$30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director.

SEC. 67. Section 2855 of the Labor Code is amended to read:

2855. (a) Except as otherwise provided in subdivision (b), a contract to render personal service, other than a contract of apprenticeship as provided in ~~Chapter 4 (commencing with Section 3070)~~, Part 4 (commencing with Section 9500) of Division 6, may not be enforced against the employee beyond seven years from the commencement of service under it. Any contract, otherwise valid, to perform or render service of a special, unique, unusual, extraordinary, or intellectual character, which gives it peculiar value and the loss of which cannot be reasonably or adequately compensated in damages in an action at law, may nevertheless be enforced against the person contracting to render the service, for a term not to exceed seven years from the commencement of service under it. If the employee voluntarily continues to serve under it beyond that time, the contract may be referred to as affording a presumptive measure of the compensation.

(b) Notwithstanding subdivision (a):

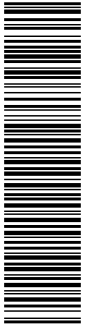
(1) Any employee who is a party to a contract to render personal service in the production of phonorecords in which sounds are first fixed, as defined in Section 101 of Title 17 of the United States Code, may not invoke the provisions of subdivision (a) without first giving written notice to the employer in accordance with Section 1020 of the Code of Civil Procedure, specifying that the employee from and after a future date certain specified in the notice will no longer render service under the contract by reason of subdivision (a).

(2) Any party to a contract described in paragraph (1) shall have the right to recover damages for a breach of the contract occurring during its term in an action commenced during or after its term, but within the applicable period prescribed by law.

(3) If a party to a contract described in paragraph (1) is, or could contractually be, required to render personal service in the production of a specified quantity of the phonorecords and fails to render all of the required service prior to the date specified in the notice provided in paragraph (1), the party damaged by the failure shall have the right to recover damages for each phonorecord as to which that party has failed to render service in an action that, notwithstanding paragraph (2), shall be commenced within 45 days after the date specified in the notice.

SEC. 68. Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code is repealed.

SEC. 69. Division 6 (commencing with Section 9200) is added to the Labor Code, to read:



DIVISION 6. THE DEPARTMENT OF BETTER JOBS AND HIGHER WAGES

PART 1. GENERAL PROVISIONS, POWERS, AND DUTIES

CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

9200. (a) The Legislature finds and declares that California's economy is undergoing significant shifts as a result of new technologies, including the use of artificial intelligence and advanced robotics, that will have a profound impact on our workforce. The Legislature further finds and declares that government must play a key role in promoting employment and economic security for workers, families, and our communities and in addressing pay disparities so that all Californians can have a stake in the state's prosperity.

(b) The Department of Better Jobs and Higher wages is hereby established in this code for the purpose of providing the foundation needed to be responsive to the changing needs of our economy and workforce by integrating policy development and workforce innovation with existing employment and training programs located within the Labor and Workforce Development Agency.

(c) The definitions provided in this chapter shall govern the construction of this division.

9201. "Department" means the Department of Better Jobs and Higher Wages.

9202. "Director" means the Director of Better Jobs and Higher Wages.

9203. "State agency" has the same meaning as defined in Section 11000 of the Government Code.

9204. (a) "Executive director" means the officer appointed by the Governor for each of the following entities, as applicable:

(1) The California Workforce Development Board.

(2) The Employment Training Panel.

(3) The Division of Apprenticeship Standards.

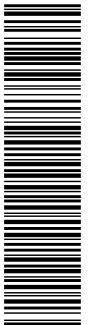
(b) The executive director of each entity enumerated in subdivision (a) shall have the responsibility of supporting their respective boards and councils in setting appropriate policies.

9205. "Job training and placement services" or "job training and placement programs" means any job training, placement, or related services administered or supervised by or provided under contract with the department, directly calculated to increase employability or improve the employment of the individual.

9206. "Business services" means any activities to further business and industry engagement, including, but not limited to, organizing, developing, and recruiting talent for target industries, and working in partnership with industries impacted by either or both climate change and technological change, including automation.

9207. "Unemployed individual" means an individual who is without a job and wants and is available for work, or is capable of being made employable through the services available under this division.

9208. "Underemployed individual" means a person who is employed but whose employment, be it full time, part time, or intermittent, is not commensurate with the individual's demonstrated level of education, skill achievement, or both.



9209. “Lower living standard income level” means the income level that has been adjusted for regional, metropolitan, urban, and rural differences and family size and is determined annually by the United States Secretary of Labor based on the most recent lower living family budget issued by the secretary.

9210. (a) The department shall be conducted under the control of an executive officer known as the Director of Better Jobs and Higher Wages, who is vested with all the duties and responsibilities with respect to the following functions:

- (1) Workforce development and training.
- (2) Job creation activities.
- (3) Business services, including business and industry engagement.
- (4) Apprenticeship standards.

(b) The Director of Better Jobs and Higher Wages shall be appointed by the Governor, with the advice and consent of the Senate, and hold office at the pleasure of the Governor. The director shall receive an annual salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) There shall be two deputy directors in the department, who shall be appointed by the Governor and hold office at the pleasure of the Governor. The salary of the deputy directors shall be fixed in accordance with law.

9211. The director shall perform all duties, exercise all powers and jurisdictions, assume and discharge all responsibilities, and carry out and effectuate all purposes vested by law in the department, except as otherwise expressly provided by this code.

9212. (a) For purposes of administration, the director shall organize the department, subject to the approval of the Governor, in the manner the director deems necessary to properly segregate and conduct the work of the department. The director may require any division in the department to assist in the enforcement of any and all laws within the jurisdiction of the department.

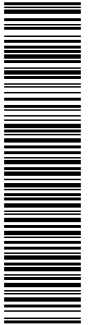
(b) The director may, in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, make rules and regulations that are reasonably necessary to carry out the provisions of this division and to effectuate its purposes.

9213. The director shall comply with all applicable provisions of the Government Code relating to contracts, budgets, and other fiscal matters, including Sections 13320 to 13324, inclusive, of that code, in the same manner and to the same extent as other state agencies, insofar as those provisions are not inconsistent with the provisions of federal law and the rules and regulations of the United States Secretary of Labor.

9214. The department shall have possession and control of all records, books, papers, offices, equipment, supplies, moneys, funds, appropriations, land, and other property, real or personal, held for the benefit or use of all commissions, divisions, and offices of the department. The title to all property described in this section held for the use and benefit of the state is hereby transferred to the state.

9215. The department, through its appropriate officers, shall administer and enforce all laws imposing any duty, power, or function upon the offices or officers of the department.

9216. All regulations heretofore adopted by the Employment Development Department related to workforce services, the California Workforce Development



Board, the Employment Training Panel, and the Division of Apprenticeship Standards shall remain in effect and shall be fully enforceable unless and until readopted, amended, or repealed.

9217. Notwithstanding any other provision of this code, individuals with disabilities who are clients of the Department of Rehabilitation shall be provided equal access to workforce programs, including, but not limited to, retraining programs, work incentive programs, job training and placement programs, career opportunity development programs, and vocational educational programs, because of their mental or physical disability when certified by the Department of Rehabilitation as being potentially employable.

CHAPTER 2. POWERS AND DUTIES

9218. The director shall represent the state and local governments upon their request in dealing with the federal government regarding the kinds and quality of job training and placement, employability, and related programs that are administered by or in the State of California pursuant to this division.

9219. (a) The director shall have the authority to administer the requirements of federal and state workforce programs, including, but not limited to, the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.), the federal Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.), and the federal Jobs for Veterans State Grant program. The director's authority shall include, but not be limited to, establishing accounting, monitoring, auditing, and reporting procedures and criteria in order to ensure state compliance with the objectives and requirements of the federal and state workforce programs.

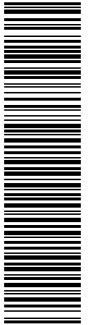
(b) The director shall adopt, amend, or repeal any rules and regulations as necessary to implement Part 2 (commencing with Section 9300).

(c) The director shall be responsible for directing department staff within the America's Job Center of California locations to provide services and establish and maintain local partnerships.

9220. The department may exchange information with other governmental departments and agencies, both federal and state, that are concerned with the administration of workforce development, or the relief of unemployed individuals, or legislation concerning, regulating, or in any manner affecting the obligations arising out of an employer-employee relation, and with other departments or agencies of government as the department deems necessary or desirable for the proper administration of this division in accordance with authorized regulations.

9221. The director shall make reports in a form and containing information as the United States Secretary of Labor may from time to time require, and shall comply with provisions the secretary may from time to time find necessary to assure the correctness and verification of reports.

9222. This state recognizes its obligations to replace, and pledges the faith of this state that funds shall be provided in the future, and applied to the replacement of, any money received from the federal government pursuant to the provisions of the federal Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.), which the United States Secretary of Labor finds have, because of any action or contingency, been lost or expended for purposes other than, or in amounts in excess of, those found necessary



by the secretary for the proper administration of this Part 2 (commencing with Section 9300). That money shall be replaced within a reasonable time by money appropriated by the Legislature from the general funds of this state to the Unemployment Administration Fund. The director shall report to the Director of Finance, in the same manner as is provided generally for the submission of financial requirements for the ensuing year, and the Governor shall include in the next budget report to the Legislature, the amount required for the replacement.

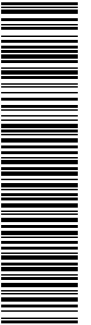
9223. The director may by authorized regulations prescribe the information required to be reported to the department by employers in order to make reports required by the United States Secretary of Labor, to provide information necessary to administer this division, to estimate unemployment rates, or to make other estimates required for the purpose of dispensing or withholding money payments under the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.), and to make any other reports or estimates that may be required by any other state or federal law. The authorized regulations of the director may include requirements for the reporting of employment, unemployment, hours, wages, earnings, the location and nature of the industrial, business, or other activity of each establishment for the conduct of business, performance of services, or industrial operations, and other requirements that are necessary to comply with this section.

9224. The provisions of this division are severable. If any provision of this division or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

9225. Part 2 (commencing with Section 9300) shall remain in effect unless the United States Secretary of Labor determines that any provision of that part or its application is not in conformity with the requirements of federal law, at which time only those provisions that are not in conformity with federal law shall be repealed.

9226. (a) The director may employ personnel necessary to carry out the purposes of this division. All personnel shall be appointed pursuant to the State Civil Service Act (Part 2 (commencing with Section 18570) of Division 5 of Title 2 of the Government Code).

(b) All officers and employees of the Employment Development Department, the Employment Training Panel, the California Workforce Development Board, or the Division of Apprenticeship Standards who, on the operative date of the act adding this section, are serving in the state civil service, other than temporary employees, and who are engaged in the performance of a function vested in the Employment Development Department, the Employment Training Panel, the California Workforce Development Board, or the Division of Apprenticeship Standards that is transferred to the Department of Better Jobs and Wages by the act adding this section, shall be transferred to the Department of Better Jobs and Higher Wages. The status, positions, and rights of those officers and employees shall not be affected by their transfer and they shall continue to be subject to the State Civil Service Act (Part 2 (commencing with Section 18570) of Division 5 of Title 2 of the Government Code), except as to positions the duties of which are vested in a position exempt from civil service.



PART 2. CALIFORNIA WORKFORCE INNOVATION AND OPPORTUNITY ACT

CHAPTER 1. GENERAL PROVISIONS

9300. (a) The Legislature finds and declares that, in order for California to remain prosperous and globally competitive, it needs to have a well-educated and highly skilled workforce.

(b) The Legislature finds and declares that the following principles shall guide the state's workforce development system:

(1) Workforce development programs and services shall be responsive to the needs of employers, workers, and students by accomplishing the following:

(A) Preparing California's students and workers with the skills necessary to successfully compete in the global economy.

(B) Producing greater numbers of individuals who obtain industry-recognized certificates and career-oriented degrees in competitive and emerging industry sectors and filling critical labor market skills gaps.

(C) Adapting to rapidly changing local and regional labor markets as specific workforce skill requirements change over time.

(D) Preparing workers for good-paying jobs that foster economic security and upward mobility.

(E) Aligning employment programs, resources, and planning efforts regionally around industry sectors that drive regional employment to connect services and training directly to jobs.

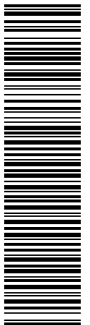
(2) State and local workforce development boards are encouraged to collaborate with other public and private institutions, including businesses, unions, nonprofit organizations, kindergarten and grades 1 to 12, inclusive, career technical education programs, adult career technical education and basic skills programs, apprenticeships, community college career technical education and basic skills programs, entrepreneurship training programs, where appropriate, the California Community Colleges Economic and Workforce Development Program, the Employment Training Panel, and county-based social and employment services, to better align resources across workforce, training, education, and social service delivery systems and build a well-articulated workforce investment system by accomplishing the following:

(A) Adopting local and regional training and education strategies that include workplace-based earn and learn programs that build on the strengths and fill the gaps in the education and workforce development pipeline in order to address the needs of job seekers, workers, and employers within regional labor markets by supporting sector strategies.

(B) Leveraging resources across education and workforce training delivery systems to build career pathways and fill critical skills gaps.

(3) Workforce development programs and services shall be data driven and evidence based when setting priorities, investing resources, and adopting practices.

(4) Workforce development programs and services shall develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, and program evaluation.



(A) Workforce development programs and services shall encourage industry involvement by developing strong partnerships with an industry's employers and the unions that represent the industry's workers.

(B) Workforce development programs and services may consider the needs of employers and businesses of all sizes, including large, medium, small, and microenterprises, when setting priorities, investing resources, and adopting practices.

(5) Workforce development programs and services shall be outcome oriented and accountable, measuring results for program participants, including, but not limited to, outcomes related to program completion, employment, and earnings.

(6) Programs and services shall be accessible to employers, the self-employed, workers, and students who may benefit from their operation, including individuals with employment barriers, such as persons with economic, physical, or other barriers to employment.

9301. (a) The Legislature finds and declares that screening designed to detect unidentified disabilities, including learning disabilities, improves workforce preparation and enhances the use of employment and training resources.

(b) Section 134(c)(2) of the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3174(c)(2)) allows for the use of funds for initial assessment of skill levels, aptitudes, abilities, and support services, including, when appropriate, comprehensive and specialized assessments of skill levels and service needs, including, but not limited to, diagnostic testing and the use of other assessment tools and in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

(c) The Legislature encourages one-stop career centers to maximize the use of Workforce Innovation and Opportunity Act resources and other federal and state workforce development resources for screening designed to detect unidentified disabilities, and if indicated, appropriate diagnostic assessment.

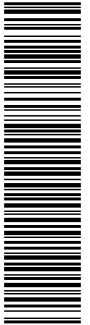
9302. (a) Grants or contracts awarded under the federal Workforce Innovation and Opportunity Act, codified in Chapter 32 (commencing with Section 3101) of Title 29 of the United States Code, or any other state or federally funded workforce development program, may not be awarded to organizations that are owned or operated as pervasively sectarian organizations.

(b) Grants or contracts awarded under the federal Workforce Innovation and Opportunity Act, codified in Chapter 32 (commencing with Section 3101) of Title 29 of the United States Code, or any other state or federally funded workforce development program, shall comply with Section 4 of Article I and Section 5 of Article XVI of the California Constitution, state and federal civil rights laws, and the First Amendment to the United States Constitution in regard to pervasively sectarian organizations. These legal constraints include prohibitions on the discrimination against beneficiaries and staff based on protected categories and on the promoting of religious doctrine to advance sectarian beliefs.

9303. To be eligible for state or federal workforce development funds awarded by the state under the California Community and Faith Based Initiative, an organization must be a separate nonprofit entity or affiliate that is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

9304. For purposes of this part:

(a) "Board" means the California Workforce Development Board.



(b) “Agency” means the Labor and Workforce Development Agency.

(c) “Career pathways,” “career ladders,” or “career lattices” are an identified series of positions, work experiences, or educational benchmarks or credentials with multiple access points that offer occupational and financial advancement within a specified career field or related fields over time. “Career pathways,” “career ladders,” and “career lattices” offer combined programs of rigorous and high-quality education, training, and other services that do all of the following:

(1) Align with the skill needs of industries in the economy of the state or regional economy involved.

(2) Prepare an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the National Apprenticeship Act of 1937 (29 U.S.C. Sec. 50 et seq.), except as in Section 3226 of Title 29 of the United States Code.

(3) Include counseling to support an individual in achieving the individual’s education and career goals.

(4) Include, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(5) Organize education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(6) Enable an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential.

(7) Help an individual enter or advance within a specific occupation or occupational cluster.

(d) “Cluster-based sector strategies” mean methods of focusing workforce and economic development on those sectors that have demonstrated a capacity for economic growth and job creation in a particular geographic area.

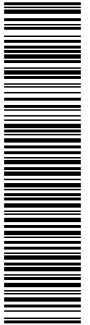
(e) “Data driven” means a process of making decisions about investments and policies based on systematic analysis of data, which may include data pertaining to labor markets.

(f) “Economic security” means, with respect to a worker, earning a wage sufficient to support a family adequately, and, over time, to save for emergency expenses and adequate retirement income, based on factors such as household size, the cost of living in the worker’s community, and other factors that may vary by region.

(g) “Evidence-based” means making use of policy research as a basis for determining best policy practices. Evidence-based policymakers adopt policies that research has shown to produce positive outcomes, in a variety of settings, for a variety of populations over time. Successful, evidence-based programs deliver quantifiable and sustainable results. Evidence-based practices differ from approaches that are based on tradition, belief, convention, or anecdotal evidence.

(h) “High-priority occupations” mean occupations that have a significant presence in a targeted industry sector or industry cluster, are in demand, or projected to be in demand, by employers, and pay or lead to payment of a wage that provides economic security.

(i) (1) “In-demand industry sector or occupation” means either of the following:



(A) An industry sector that has a substantial current or potential impact, including through jobs that lead to economic self-sufficiency and opportunities for advancement, on the state, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors.

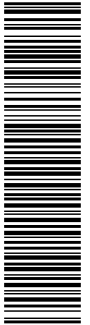
(B) An occupation that currently has or is projected to have a number of positions, including positions that lead to economic self-sufficiency and opportunities for advancement, in an industry sector so as to have a significant impact on the state, regional, or local economy, as appropriate.

(2) The determination of whether an industry sector or occupation is “in-demand” under this subdivision shall be made by the board or local workforce development board, or through the regional planning process in which local workforce development boards participate under the Workforce Innovation and Opportunity Act, as appropriate, using state and regional business and labor market projections, including the use of labor market information.

(j) “Individual with employment barriers” means an individual with any characteristic that substantially limits an individual’s ability to obtain employment, including indicators of poor work history, lack of work experience, or access to employment in nontraditional occupations, long-term unemployment, lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, or welfare dependency, including members of all of the following groups:

- (1) Displaced homemakers.
- (2) Low-income individuals.
- (3) Indians, Alaska Natives, and Native Hawaiians, as those terms are defined in Section 3221 of Title 29 of the United States Code.
- (4) Individuals with disabilities, including youths who are individuals with disabilities.
- (5) Older individuals.
- (6) Ex-offenders.
- (7) Homeless individuals, as defined in Section 14043e-2(6) of Title 42 of the United States Code, or homeless children and youths, as defined in Section 11434a(2) of Title 42 of the United States Code.
- (8) Youth who are in, or have aged out of, the foster care system.
- (9) Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers.
- (10) Eligible migrant and seasonal farmworkers, as defined in Section 3322(i) of Title 29 of the United States Code.
- (11) Individuals within two years of exhausting lifetime eligibility under Part A of Title IV of the Social Security Act (42 U.S.C. Sec. 601 et seq.).
- (12) Single parents, including single, pregnant women.
- (13) Long-term unemployed individuals.
- (14) Transgender and gender nonconforming individuals.
- (15) Any other groups as the Governor determines to have barriers to employment.

(k) “Industry cluster” means a geographic concentration or emerging concentration of interdependent industries with direct service, supplier, and research



relationships, or independent industries that share common resources in a given regional economy or labor market. An industry cluster is a group of employers closely linked by common product or services, workforce needs, similar technologies, and supply chains in a given regional economy or labor market.

(l) “Industry or sector partnership” means a workforce collaborative, convened or acting in partnership with the board or a local workforce development board, that does the following:

(1) Organizes key stakeholders in an industry cluster into a working group that focuses on the shared goals and human resources needs of the industry cluster and that includes, at the appropriate stages of development of the partnership:

(A) Representatives of multiple businesses or other employers in the industry cluster, including small and medium-sized employers when practicable.

(B) One or more representatives of a recognized state labor organization or central labor council, or another labor representative, as appropriate.

(C) One or more representatives of an institution of higher education with, or another provider of, education or training programs that support the industry cluster.

(2) The workforce collaborative may include representatives of any of the following:

(A) State or local government.

(B) State or local economic development agencies.

(C) State boards or local workforce development boards, as appropriate.

(D) A state workforce agency or entity providing employment services.

(E) Other state or local agencies.

(F) Business or trade associations.

(G) Economic development organizations.

(H) Nonprofit organizations, community-based organizations, or intermediaries.

(I) Philanthropic associations.

(J) Industry associations.

(K) Other organizations, as determined to be necessary by the members comprising the industry sector or partnership.

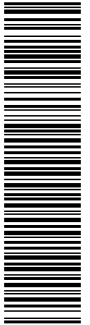
(m) “Industry sector” means those firms that produce similar products or provide similar services using somewhat similar business processes, and are closely linked by workforce needs, within a regional labor market.

(n) “Local labor federation” means a central labor council that is an organization of local unions affiliated with the California Labor Federation or a local building and construction trades council affiliated with the State Building and Construction Trades Council of California.

(o) “Sector strategies” means methods of prioritizing investments in competitive and emerging industry sectors and industry clusters on the basis of labor market and other economic data indicating strategic growth potential, especially with regard to jobs and income, and exhibit the following characteristics:

(1) Focus workforce investment in education and workforce training programs that are likely to lead to jobs providing economic security or to an entry-level job with a well-articulated career pathway into a job providing economic security.

(2) Effectively boost labor productivity or reduce business barriers to growth and expansion stemming from workforce supply problems, including skills gaps and



occupational shortages by directing resources and making investments to plug skills gaps and provide education and training programs for high-priority occupations.

(3) May be implemented using articulated career pathways or lattices and a system of stackable credentials.

(4) May target underserved communities, disconnected youths, incumbent workers, and recently separated military veterans.

(5) Frequently are implemented using industry or sector partnerships.

(6) Typically are implemented at the regional level where sector firms, those employers described in subdivisions (j) and (l), often share a common labor market and supply chains. However, sector strategies may also be implemented at the state or local level depending on sector needs and labor market conditions.

(p) “Workforce Innovation and Opportunity Act of 2014” means the federal act enacted as Public Law 113-128.

(q) (1) “Earn and learn” includes, but is not limited to, a program that does either of the following:

(A) Combines applied learning in a workplace setting with compensation allowing workers or students to gain work experience and secure a wage as they develop skills and competencies directly relevant to the occupation or career for which they are preparing.

(B) Brings together classroom instruction with on-the-job training to combine both formal instruction and actual paid work experience.

(2) “Earn and learn” programs include, but are not limited to, all of the following:

(A) Apprenticeships.

(B) Preapprenticeships.

(C) Incumbent worker training.

(D) Transitional and subsidized employment, particularly for individuals with barriers to employment.

(E) Paid internships and externships.

(F) Project-based compensated learning.

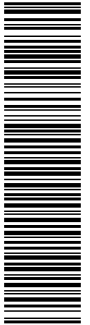
CHAPTER 2. CALIFORNIA WORKFORCE DEVELOPMENT BOARD

9305. There is in the Department of Better Jobs and Higher Wages the California Workforce Development Board.

9306. The California Workforce Development Board is the body responsible for assisting the Governor in the development, oversight, and continuous improvement of California’s workforce development system and the alignment of the education and workforce development systems to the needs of the 21st century economy and workforce.

9307. The board shall report, through its executive director, to the Secretary of the Labor and Workforce Development Agency through the Director of Better Jobs and Higher Wages.

9308. The board shall be appointed by the Governor to assist in the development of the State Plan and to carry out other functions, as described in Section 9328. The board shall be comprised of the Governor and representatives from the following categories:



(a) Two members of each house of the Legislature, appointed by the appropriate presiding officer of each house.

(b) A majority of board members shall be representatives of business who:

(1) Are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority, who, in addition, may be members of a local workforce development board described in Section 3122(b)(2)(A)(i) of Title 29 of the United States Code.

(2) Represent businesses, including small businesses, or organizations representing businesses that include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the state.

(3) Are appointed from a group of individuals nominated by state business organizations and business trade associations.

(c) (1) Not less than 20 percent of board members shall be representatives of the workforce within the state, including representatives of labor organizations nominated by state labor federations, who shall not be less than 15 percent of the board membership and who shall include at least one representative that is a member of a labor organization or a training director, from a joint labor-management apprenticeship program, or if no such joint program exists in the state, such a representative of an apprenticeship program in the state.

(2) Representatives appointed pursuant to this subdivision may include:

(A) Representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment, including organizations that serve veterans, organizations that provide or support competitive, integrated employment for individuals with disabilities, and organizations that serve transgender and gender nonconforming individuals.

(B) Representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.

(d) The balance of board members:

(1) Shall include representatives of government that are lead state officials with primary responsibility for the core programs and shall include chief elected officials, collectively representing cities, counties, and cities and counties where appropriate.

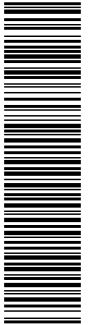
(2) May include other representatives and officials as the Governor may designate, like any of the following:

(A) State agency officials from agencies that are one-stop partners, not specified in paragraph (1), including additional one-stop partners whose programs are covered by the State Plan, if any.

(B) State agency officials responsible for economic development or juvenile justice programs in the state.

(C) Individuals who represent an Indian tribe or tribal organization, as those terms are defined in Section 3221(b) of Title 29 of the United States Code.

(D) State agency officials responsible for education programs in the state, including chief executive officers, or their designees, of institutions of higher education, including, but not limited to, the California Community College system, the California State University system, the University of California system, and their respective individual campuses.



(e) Other requirements of board membership shall include:

(1) The Governor shall select a chairperson for the board from among the representatives described in subdivision (b).

(2) The members of the board shall represent diverse geographic areas of the state, including urban, rural, and suburban areas.

9309. The board shall assist the Governor in the following:

(a) Promoting the development of a well-educated and highly skilled 21st century workforce.

(b) Developing, implementing, and modifying the State Plan. The State Plan shall serve as the comprehensive framework and coordinated plan for the aligned investment of all federal and state workforce training and employment services funding streams and programs. To the extent feasible and when appropriate, the State Plan should reinforce and work with adult education and career technical education efforts that are responsive to labor market trends.

(c) The review of statewide policies, of statewide programs, and of recommendations on actions that should be taken by the state to align workforce, education, training, and employment funding programs in the state in a manner that supports a comprehensive and streamlined workforce development system in the state, including the review and provision of comments on the State Plan, if any, for programs and activities of one-stop partners that are not core programs.

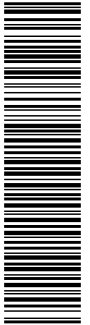
(d) Developing and continuously improving the statewide workforce investment system, including:

(1) The identification of barriers and means for removing barriers to better coordinate, align, and avoid duplication among the programs and activities carried out through the system.

(2) The development of strategies to support the use of career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to employment, and including individuals with disabilities, with workforce investment activities, education, and supportive services to enter or retain employment. To the extent permissible under state and federal laws, these policies and strategies should support linkages between kindergarten and grades 1 to 12, inclusive, and community college educational systems in order to help secure educational and career advancement. These policies and strategies may be implemented using a sector strategies framework and should ultimately lead to placement in a job providing economic security or job placement in an entry-level job that has a well-articulated career pathway or career ladder to a job providing economic security.

(3) The development of strategies for providing effective outreach to and improved access for individuals and employers who could benefit from services provided through the workforce development system.

(4) The development and expansion of strategies for meeting the needs of employers, workers, and jobseekers, particularly through industry or sector partnerships related to in-demand industry sectors and occupations, including policies targeting resources to competitive and emerging industry sectors and industry clusters that provide economic security and are either high-growth sectors or critical to California's economy, or both. These industry sectors and clusters shall have significant economic impacts on the state and its regional and workforce development needs and have documented career opportunities.



(5) Recommending adult and dislocated worker training policies and investments that offer a variety of career opportunities while upgrading the skills of California's workforce. These may include training policies and investments pertaining to any of the following:

(A) Occupational skills training, including training for nontraditional employment.
(B) On-the-job training.
(C) Incumbent worker training in accordance with Section 3174(d)(4) of Title 29 of the United States Code.

(D) Programs that combine workplace training with related instruction, which may include cooperative education programs.

(E) Training programs operated by the private sector.

(F) Skill upgrading and retraining.

(G) Entrepreneurial training.

(H) Transitional jobs in accordance with Section 3174(d)(5) of Title 29 of the United States Code.

(I) Job readiness training provided in combination with any of the services described in subparagraphs (A) to (H), inclusive.

(J) Adult education and literacy activities provided in combination with any of the services described in subparagraphs (A) to (G), inclusive.

(K) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(e) The identification of regions, including planning regions, for the purposes of Section 3121(a) of Title 29 of the United States Code, and the designation of local workforce development areas under Section 3121 of Title 29 of the United States Code, after consultation with local workforce development boards and chief elected officials.

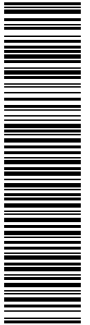
(f) The development and continuous improvement of the one-stop delivery system in local workforce development areas, including providing assistance to local workforce development boards, one-stop operators, one-stop partners, and providers with planning and delivering services, including training services and supportive services, to support effective delivery of services to workers, job seekers, and employers.

(g) Recommending strategies to the Governor for strategic training investments of the Governor's 15-percent discretionary funds.

(h) Developing strategies to support staff training and awareness across programs supported under the workforce development system.

(i) The development and updating of comprehensive state performance accountability measures, including state-adjusted levels of performance, to assess the effectiveness of the core programs in the state as required under Section 3141(b) of Title 29 of the United States Code. As part of this process, the board shall do all of the following:

(1) Develop a workforce metrics dashboard, to be updated annually, that measures the state's human capital investments in workforce development to better understand the collective impact of these investments on the labor market. The board shall determine the approach for measuring labor market impacts, provided that, to the extent feasible, the board uses statistically rigorous methodologies to estimate, assess, and isolate the impact of programs on participant outcomes. The workforce metrics dashboard shall be produced, to the extent feasible, using existing available data and resources that are currently collected and accessible to state agencies. The board shall



convene workforce program partners to develop a standardized set of inputs and outputs for the workforce metrics dashboard. The workforce metrics dashboard shall do all of the following:

(A) Provide a status report on credential attainment, training completion, degree attainment, and participant earnings from workforce education and training programs. The board shall publish and distribute the final report.

(B) Provide demographic breakdowns, including, to the extent possible, race, ethnicity, age, gender, veteran status, wage and credential or degree outcomes, and information on workforce outcomes in different industry sectors.

(C) Measure, at a minimum and to the extent feasible with existing resources, the performance of the following workforce programs: community college career technical education, the Employment Training Panel, Title I and Title II of the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128), Trade Adjustment Assistance, and state apprenticeship programs.

(D) Measure participant earnings in California, and to the extent feasible, in other states. The Employment Development Department and the Department of Better Jobs and Higher Wages shall assist the board by calculating aggregated participant earnings using unemployment insurance wage records, without violating any applicable confidentiality requirements.

(2) The State Department of Education is hereby authorized to collect the social security numbers of adults participating in adult education programs so that accurate participation in those programs can be represented in the workforce metrics dashboard. However, an individual shall not be denied program participation if the individual refuses to provide a social security number. The State Department of Education shall keep this information confidential, except, the State Department of Education is authorized to share this information, unless prohibited by federal law, with the Department of Better Jobs and Higher Wages, the board, or the board's designee, who shall keep the information confidential and use it only to track the labor market and other outcomes described in subparagraph (A) of paragraph (1) of program participants in compliance with all applicable state and federal laws and mandates, including all performance reporting requirements under the Workforce Innovation and Opportunity Act.

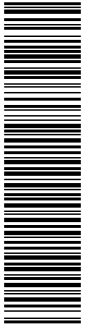
(3) (A) Participating workforce programs, including, but not limited to, those specified in subparagraph (C) of paragraph (1), shall provide participant data in a standardized format to the Department of Better Jobs and Higher Wages, the board, or the board's designee.

(B) The Department of Better Jobs and Higher Wages, the board, or the board's designee, shall aggregate data provided by participating workforce programs and shall report the data, organized by demographics, earnings, and industry of employment, to the board to assist the board in producing the annual workforce metrics dashboard.

(4) The board shall ensure that a designee has the technical and operational capability of meeting appropriate privacy and security requirements.

(j) The identification and dissemination of information on best practices, including best practices for all of the following:

(1) The effective operation of one-stop centers, relating to the use of business outreach, partnerships, and service delivery strategies, including strategies for serving individuals with barriers to employment.



(2) The development of effective local workforce development boards, which may include information on factors that contribute to enabling local workforce development boards to exceed negotiated local levels of performance, sustain fiscal integrity, and achieve other measures of effectiveness.

(3) Effective training programs that respond to real-time labor market analysis, that effectively use direct assessment and prior learning assessment to measure an individual's prior knowledge, skills, competencies, and experiences, and that evaluate such skills, and competencies for adaptability, to support efficient placement into employment or career pathways.

(k) The development and review of statewide policies affecting the coordinated provision of services through the state's one-stop delivery system described in Section 3151(e) of Title 29 of the United States Code, including the development of all of the following:

(1) Objective criteria and procedures for use by local workforce development boards in assessing the effectiveness and continuous improvement of one-stop centers described in Section 3151(e) of Title 29 of the United States Code.

(2) Guidance for the allocation of one-stop center infrastructure funds under Section 3151(h) of Title 29 of the United States Code.

(3) Policies relating to the appropriate roles and contributions of entities carrying out one-stop partner programs within the one-stop delivery system, including approaches to facilitating equitable and efficient cost allocation in such a system.

(l) The development of strategies for technological improvements to facilitate access to, and improve the quality of, services and activities provided through the one-stop delivery system, including such improvements to all of the following:

(1) Enhance digital literacy skills, as defined in Section 9101 of Title 20 of the United States Code, referred to in this division as "digital literacy skills."

(2) Accelerate the acquisition of skills and recognized postsecondary credentials by participants.

(3) Strengthen the professional development of providers and workforce professionals.

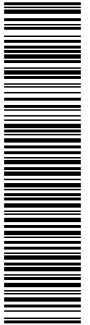
(4) Ensure the technology is accessible to individuals with disabilities and individuals residing in remote areas.

(m) The development of strategies for aligning technology and data systems across one-stop partner programs to enhance service delivery and improve efficiencies in reporting on performance accountability measures, including the design and implementation of common intake, data collection, case management information, and performance accountability measurement and reporting processes and the incorporation of local input into such design and implementation, to improve coordination of services across one-stop partner programs.

(n) The development of allocation formulas for the distribution of funds for employment and training activities for adults, and youth workforce investment activities, to local areas as permitted under Sections 3163(b)(3) and 3173(b)(3) of Title 29 of the United States Code.

(o) The preparation of the annual reports described in paragraphs (1) and (2) of Section 3141(d) of Title 29 of the United States Code.

(p) The development of the statewide workforce and labor market information system described in Section 491-2(e) of Title 29 of the United States Code.



(q) By July 1, 2020, the development, in conjunction with the Employment Development Department and with input from local workforce development boards, of a policy regarding mutual aid agreements between and among local workforce development boards to enable them to effectively respond to disasters and that is consistent with applicable state and federal law.

(r) The development of other policies as may promote statewide objectives for, and enhance the performance of, the workforce development system in the state.

(s) Helping individuals with barriers to employment, including low-skill, low-wage workers, the long-term unemployed, and members of single-parent households, achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends.

9310. The duties of the board described in Section 9309 may be assigned to divisions within the Department of Better Jobs and Higher Wages, as appropriate.

9311. Members of the board may receive up to one hundred dollars (\$100) for each day's actual attendance at meetings and other official business of the board, not to exceed three hundred dollars (\$300) per month, and shall receive their necessary and actual expenses incurred in the performance of their official duties.

9312. (a) In efforts to expand job training and employment for allied health professions, the California Workforce Development Board, in consultation with the Division of Apprenticeship Standards, shall do the following:

(1) Identify opportunities for "earn and learn" job training opportunities that meet the industry's workforce demands and that are in high-wage, high-demand jobs.

(2) Identify and develop specific requirements and qualifications for entry into "earn and learn" job training models.

(3) Establish standards for "earn and learn" job training programs that are outcome oriented and accountable. The standards shall measure the results from program participation, including a measurement of how many complete the program with an industry-recognized credential that certifies that the individual is ready to enter the specific allied health profession for which the individual has been trained.

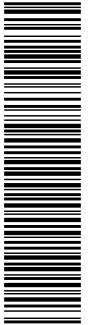
(4) Develop means to identify, assess, and prepare a pool of qualified candidates seeking to enter "earn and learn" job training models.

(b) (1) The board, on or before December 1, 2015, shall prepare and submit to the appropriate policy committees of the Legislature a report on the findings and recommendations of the board.

(2) The requirement for submitting a report imposed pursuant to this subdivision is inoperative on January 1, 2019, pursuant to Section 10231.5 of the Government Code.

(c) (1) The Department of Consumer Affairs shall engage in a stakeholder process to update policies and remove barriers to facilitate the development of earn and learn training programs in the allied health professions, including barriers identified in the report prepared by the board pursuant to subdivision (b), entitled Expanding Earn and Learn Models in the California Health Care Industry. The stakeholder process shall include all of the following:

(A) The department convening allied health workforce stakeholders, which shall include, but are not limited to, the department's relevant licensure boards, the Division of Apprenticeship Standards, representatives appointed by the board of governors from



the California community college system, the California Workforce Development Board, and the State Department of Public Health, and which may include other relevant entities such as the Office of Statewide Health Planning and Development, employer and worker representatives, and community-based organizations.

(B) Addressing issues that include, but are not limited to, prelicensure classifications in allied health occupations that would allow students, in a supervised setting, to gain experience in their chosen field before obtaining licensure, and the payment of wages while in a workplace-based training program.

(C) The department ensuring that existing standards of consumer protection are maintained.

(D) Sharing any statutory barriers identified through this process with the relevant committees of the Legislature.

(2) The process described in paragraph (1) shall be completed by, and this subdivision shall be inoperative on, January 1, 2020.

CHAPTER 3. STATE PLANNING AND SECTORS

9313. (a) The California Workforce Development Board, in collaboration with state and local partners, including the Chancellor of the California Community Colleges, the State Department of Education, other appropriate state agencies, and local workforce development boards, shall develop the State Plan to serve as a framework for the development of public policy, employment services, fiscal investment, and operation of all state labor exchange, workforce education, and training programs to address the state's economic, demographic, and workforce needs. The strategic workforce plan shall be prepared in a manner consistent with the requirements of the federal Workforce Innovation and Opportunity Act of 2014.

(b) Consistent with the federal Workforce Innovation and Opportunity Act, the State Plan shall provide a framework for state workforce policies and support sector strategies.

(c) The California Workforce Development Board shall work collaboratively with state and local partners to identify ways to eliminate systemwide barriers and better align and leverage federal, state, and local Workforce Innovation and Opportunity Act funding streams, and other funding streams, and policies to develop, support, and sustain regional alliances of employers and workforce and education professionals who are working to improve the educational pipeline, establish well-articulated career pathways, provide industry-recognized credentials, certificates, and recognized postsecondary credentials, and address the career advancement needs of current and future workers in competitive and emergent industry sectors and clusters. The California Workforce Development Board and its partners shall work collaboratively to maximize state and local investments and pursue other resources to address the skills-gap needs identified pursuant to paragraph (3) of subdivision (d).

(d) In order to support the requirement of the plans in subdivision (a), the California Workforce Development Board shall do the following:

(1) Identify industry sectors and industry clusters that have a competitive economic advantage and demonstrated economic importance to the state and its regional economies. In developing this analysis, the California Workforce Development Board shall consider the expertise of local workforce development boards in the state's



respective regional economies and shall encourage the local workforce development boards to identify industry sectors and industry clusters that have a competitive economic advantage and demonstrated economic importance in their respective local workforce development areas.

(2) Identify new dynamic emergent industry sectors and industry clusters with substantial potential to generate new jobs and income growth for the state and its regional economies. In developing this analysis, the California Workforce Development Board shall consider the expertise of local workforce development boards in the state's respective regional economies and shall encourage the local workforce development boards to identify new dynamic emergent industry sectors and industry clusters with substantial potential to generate new jobs and income growth in their respective local workforce development areas.

(3) Provide a skills-gap analysis enumerating occupational and skills shortages in the industry sectors and industry clusters identified as having strategic importance to the state's economy and its regional economies. In developing this analysis, the California Workforce Development Board shall consider the expertise of local workforce development boards in the state's respective regional economies and shall encourage the local workforce development boards to conduct skills-gap analysis for their respective local workforce development areas. Skills-gap analysis for the state and its regional economies shall use labor market data to specify a list of high-priority, in-demand occupations for the state and its regional economies. This list shall be used to inform investment decisions and eligible training provider policies.

(4) Establish, with input from local workforce development boards and other stakeholders, initial and subsequent eligibility criteria for the federal Workforce Innovation and Opportunity Act of 2014 eligible training provider list that effectively directs training resources into training programs leading to employment in high-demand, high-priority, and occupations that provide economic security, particularly those facing a shortage of skilled workers. The subsequent eligibility criteria, to the extent feasible, shall use performance and outcome measures to determine whether a provider is qualified to remain on the list. At a minimum, initial and subsequent eligibility criteria shall consider the following:

(A) The relevance of the training program to the workforce needs of the state's strategic industry sectors and industry clusters.

(B) The need to plug skills gaps and skills shortages in the economy, including skills gaps and skills shortages at the state and regional level.

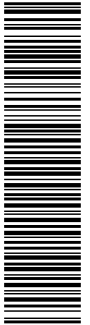
(C) The need to plug skills gaps and skills shortages in local workforce development areas.

(D) The likelihood that the training program will lead to job placement in a job providing economic security or job placement in an entry-level job that has a well-articulated career pathway or career ladder to a job providing economic security.

(E) The need for basic skills in combination with programs that provide occupational skills training for individuals with barriers to employment and those who would otherwise be unable to enter occupational skills training.

(F) To the extent feasible, utilize criteria that measure training and education provider performance, including, but not limited to, the following:

(i) Measures of skills or competency attainment.



(ii) Measures relevant to program completion, including measures of course, certificate, degree, licensure, and program of study rate of completion.

(iii) For those entering the labor market, measures of employment placement and retention.

(iv) For those continuing in training or education, measures of educational or training progression.

(v) For those who have entered the labor market, measures of income, including wage measures.

(G) The division of labor for making initial and subsequent eligibility determinations under this division shall be modeled on the division of labor envisioned in the federal Workforce Innovation and Opportunity Act of 2014.

(H) If the state receives a waiver from the federal subsequent eligibility provisions specified in the federal Workforce Innovation and Opportunity Act of 2014, the state workforce development board shall establish its own subsequent eligibility criteria that take into account all of the criteria specified in subparagraphs (A) to (G), inclusive.

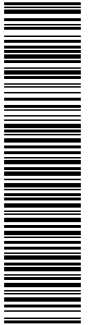
CHAPTER 4. REMOVING BARRIERS TO EMPLOYMENT ACT

9314. As used in this chapter, “Breaking Barriers to Employment Initiative” or “initiative” means the Breaking Barriers to Employment Initiative established in this chapter.

9315. (a) All efforts funded under this initiative are intended to supplement and be aligned with the broader workforce and education system in the State of California. The initiative is not intended to duplicate or replicate existing programs or to create new workforce and education programs, but rather to provide supplemental funding and services to ensure the success of individuals either preparing to enter or already enrolled in workforce and education programs operating under the policy vision of this division and the state plan under this division.

(b) The primary purpose of the initiative is to provide individuals with barriers to employment the services they need to enter, participate in, and complete broader workforce preparation, training, and education programs aligned with regional labor market needs. Those who complete these programs should have the skills and competencies necessary to successfully enter the labor market, retain employment, and earn wages that lead to self-sufficiency, and eventually, economic security.

(c) The distinguishing characteristic of the initiative is the manner in which services will be delivered at the local and regional level. Under the initiative, services shall be delivered principally through a collaborative partnership between mission-driven, community-based organizations with experience in providing services consistent with the objectives of this initiative and to the populations specified, which may include, but are not limited to, faith-based, business-based, labor-based, cultural-based, and services-based organizations, and local workforce development boards to strengthen the America’s Job Center of California system. The role of the community-based organizations shall be to use their expertise in working with targeted populations and employers to ensure that individuals from these targeted populations receive the necessary supplemental, supportive, remedial, and wrap-around services they need to successfully enter, participate in, and complete workforce and education programs and enter, be retained, and advance in the labor market. The role of local



workforce development boards is to ensure a connection between community-based organizations and the America's Job Center of California system to integrate individuals served by community-based organizations under this initiative into the education system and broader workforce for employment.

9316. (a) Funding for the initiative shall be subject to appropriation by the Legislature, but only for the purposes expressed in this article, and shall not draw from, supplant, or redirect existing state or federally funded education, workforce, or employment services programs, except that those funds may, but shall not be required to, be used as leverage with initiative funds.

(b) Implementation of the initiative shall be contingent upon the California Workforce Development Board notifying the Department of Finance that sufficient moneys have been appropriated by the Legislature for this purpose.

(c) The California Workforce Development Board shall develop criteria for the selection of grant recipients that include, but are not limited to, all of the following:

(1) Outreach and technical assistance shall be provided to prospective applicants, especially in rural and small population areas.

(2) Grants shall be awarded on a competitive basis.

(3) The initiative shall include provisions to ensure that a range of targeted populations and geographic locations receive grants.

(4) Applications shall explain the community-based organization's capacity to provide services to relevant target populations and provide evidence of this capacity.

(5) Each grant proposal shall be consistent with the purposes of the initiative.

(d) Each application shall, at a minimum, include all of the following:

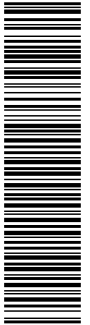
(1) The designation of at least one lead workforce development board and one lead mission-driven, community-based organization with experience in providing services consistent with the objectives of this initiative and to the populations specified, which may include, but is not limited to, faith-based, business-based, labor-based, cultural-based, and services-based organizations. Documentation shall be included to demonstrate that each lead workforce development board and lead community-based organization has agreed to be the lead designation in the grant proposal.

(2) The designation of one or more targeted populations that will be served by the grant.

(3) The designation of a service area, which may include one or more neighborhoods, local jurisdictions, regions, or statewide. A grant proposal that proposes to serve clients across one or more workforce development areas shall include a commitment to notify each workforce development board in the proposed service area.

(4) An explanation of the specific purpose of the grant funds, the roles and responsibilities of each of the lead workforce development boards and community-based organizations, and a discussion of how funds will be used, the number of individuals who will be served, and the services provided to these individuals.

(5) A description of how the grant proposal is designed to complement the work of, and integrate the individuals being served with, the broader workforce, education, and employment system within the proposed service area, and evidence that the proposal incorporates innovative strategies or proven practices for service delivery that will lead to improved outcomes, sustainability, and systems improvement.



(6) A grant application may be submitted jointly by a lead workforce development board and a lead community-based organization or jointly by one or more lead workforce development boards and one or more lead community-based organizations.

9317. (a) The purpose of the initiative shall be to provide individuals with barriers to employment the services they need to enter, participate in, and complete broader workforce preparation, training and education programs, and, ultimately, to obtain employment. Special emphasis shall be given to applications that integrate individuals from target populations into career pathway programs aligned with regional labor market needs.

(b) Grants shall be evaluated using the following criteria:

(1) Ability to provide the services proposed in the grant to the number of individuals specified in the grant as evidenced by, among other things, whether the grantee completed the work proposed.

(2) Ability of individuals to successfully complete relevant programming funded under the grant as demonstrated by relevant measures directly related to the purpose of the program.

(3) Ability of individuals to transition into or be integrated into the broader workforce and education system as evidenced by enrollment in relevant programs.

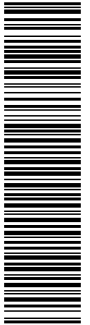
(4) Ability of individuals to succeed in both the broader workforce and education system and labor market once they transition into the broader system. This shall be measured by tracking these individuals utilizing the existing performance monitoring systems and metrics governing relevant programs and outcomes once they transition into the broader system.

(c) Grant applicants shall provide all necessary information to local workforce development boards and the California Workforce Development Board to facilitate grant performance evaluation.

(d) Grant applicants may be required to participate in technical assistance activities, including, but not limited to, the convening of communities of practice to identify and help replicate evidence-based practices and to help facilitate an assessment and evaluation of grant performance and initiative success.

9318. Populations eligible to be served by grants include, but are not limited to, all of the following:

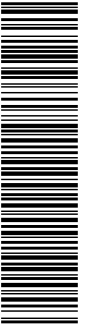
- (a) Youths who are disconnected from the education system or employment.
- (b) Women seeking training or education to move into nontraditional fields of employment.
- (c) Displaced workers and long-term unemployed.
- (d) Unskilled or underskilled, low-wage workers.
- (e) Persons for whom English is not their primary language.
- (f) Economically disadvantaged persons.
- (g) CalWORKs participants.
- (h) Persons who are incarcerated and soon to be released or formerly incarcerated.
- (i) Armed services veterans.
- (j) Native Americans.
- (k) Migrants or seasonal farmworkers.
- (l) Persons with developmental or other disabilities.
- (m) Any other population with barriers to employment identified in subdivision (j) of Section 9304.



- (n) Immigrants.
 - (o) Persons over 50 years of age who need retraining for in-demand skills.
9319. Eligible activities for initiative and grant funds shall include, but are not limited to, all of the following:
- (a) English language improvement training.
 - (b) Basic skills and adult education.
 - (c) High school diploma and GED acquisition.
 - (d) Skills and vocational training that aligns with regional labor market needs identified as part of the California Workforce Innovation and Opportunity Act regional planning process.
 - (e) Work experience.
 - (f) On-the-job training.
 - (g) Stipends for trainees.
 - (h) Earn and learn training.
 - (i) Industry certifications.
 - (j) Preapprenticeship programming offered in a manner that is consistent with the requirements of Section 9345, regardless of whether the preapprenticeship program funding source includes California Workforce Innovation and Opportunity Act funds.
 - (k) Mentoring.
 - (l) Other remedial education and work readiness skills.
 - (m) Supportive services under the California Workforce Innovation and Opportunity Act.
 - (n) Activities undertaken pursuant to subdivision (d) of Section 9317.
9320. The California Workforce Development Board may develop necessary policies to ensure that grants awarded under the initiative fund are activities that are consistent with the intent of this chapter.
9321. All criteria, guidelines, and policies developed by the California Workforce Development Board for the administration of the initiative shall be exempt from the rulemaking provisions of the Administrative Procedures Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

CHAPTER 5. PRISON TO EMPLOYMENT PROGRAM

9322. For purposes of this chapter, the following definitions shall apply:
- (a) “Earn and learn” has the same meaning as in subdivision (q) of Section 9304.
 - (b) “Justice involved” refers to individuals who are on parole, probation, mandatory supervision, or postrelease community supervision and are supervised by, or are under the jurisdiction of, a county or the California Department of Corrections and Rehabilitation.
 - (c) “Prison to employment regional partnership” or “regional partnership” means a partnership established to develop a regional plan that coordinates reentry and workforce services in each of the state’s 14 workforce regions established pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128), so that the formerly incarcerated and other justice-involved individuals in these regions can find and retain employment. Partners in a regional partnership shall include local workforce development boards, the California Department of Corrections and



Rehabilitation, Division of Adult Parole Operations, community-based organizations that serve the formerly incarcerated and other justice-involved individuals, and reentry service providers. Partners may include other stakeholders, as specified by the board.

(d) “Prison to employment regional plan” or “regional plan” is the plan developed by a regional partnership to coordinate reentry and workforce services in each of the state’s 14 workforce regions. The prison to employment regional plan is a component of each federal Workforce Innovation and Opportunity Act regional workforce plan.

(e) “Supportive services” are services necessary to enable an individual to successfully participate in, or receive, workforce, education, and other related services authorized under subdivision (c) of Section 1234.3 of the Penal Code, Section 9319 of this code, as well as the federal Workforce Innovation and Opportunity Act and its corresponding regulations.

(f) “Workforce, education, and related services” include services authorized under subdivision (c) of Section 1234.3 of the Penal Code, Section 9319 of this code, as well as the federal Workforce Innovation and Opportunity Act and its corresponding regulations.

9323. The board shall administer a prison to employment program pursuant to this chapter and shall award grants for the following purposes:

(a) The development of regional partnerships and regional plans to provide and coordinate the necessary workforce, education, and related services that formerly incarcerated and other justice-involved individuals need to secure and retain employment and reduce the chances of recidivism.

(b) The implementation of the regional plans, including the provision of workforce, education, and related services and supportive services outlined in these regional plans.

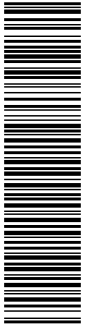
(c) The provision of earn and learn opportunities for formerly incarcerated and other justice-involved individuals participating in the program.

9324. (a) Prior to awarding grants pursuant to Section 9323, the board shall develop and adopt guidelines and policies for the program, including, but not limited to, required regional plan content, required and optional regional plan partners, required activities of the regional partnerships, and guidelines for the allocation of grants, including planning guidance, timelines, and selection criteria for the distribution and evaluation of grant awards. The board shall consider factors including, but not limited to, the need for workforce services for the formerly incarcerated and justice-involved individuals in each region, the size of postrelease populations, and the recidivism rate in each region.

(b) The board shall ensure that the guidelines developed pursuant to subdivision (a) are consistent with paragraph (7) of subdivision (b) of Section 1234.2 of, and subdivision (b) and paragraph (1) of subdivision (e) of Section 1234.3 of, the Penal Code, and Section 9315 of, and paragraph (4) of subdivision (c) and paragraphs (3) and (4) of subdivision (d) of Section 9316 of, this code.

(c) Grants made pursuant to this chapter shall be evaluated using criteria consistent with those set forth in subdivisions (b) to (d), inclusive, of Sections 9317. The board may utilize additional criteria to evaluate these grants.

(d) (1) The criteria guidelines, and policies shall be exempt from the rulemaking provisions of the Administrative Procedures Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).



(2) The board shall make the criteria, guidelines, and policies available to the public.

CHAPTER 6. BREAKING BARRIERS IN EMPLOYMENT FOR ADULTS WITH AUTISM PILOT PROGRAM

9325. For purposes of this chapter, the following terms have the following meanings:

(a) "Autism" includes autism spectrum disorder.

(b) "California Workforce Development Board" or "board" means the California Workforce Development Board established pursuant to Chapter 2 (commencing with Section 9305).

(c) "Pilot program" means the Breaking Barriers in Employment for Adults with Autism Pilot Program.

(d) "Targeted population" means adults with autism.

9326. (a) This chapter establishes the Breaking Barriers in Employment for Adults with Autism Pilot Program to be administered by the California Workforce Development Board. The pilot program shall run until January 1, 2022, in Sacramento and Los Angeles counties.

(b) The program shall be developed and implemented in accordance with the criteria set forth in Section 9327 for the purposes of increasing long-term employment opportunities for young adults with autism.

(c) The outcomes from the program shall be reported pursuant to Section 9329.

9327. The board shall administer the pilot program as follows:

(a) Work with an experienced nonprofit organization on the outreach, selection, training, and compensation of young adults with autism to participate in the program.

(b) In collaboration with stakeholders, create a manual to train employers in building workplace capacity for the targeted population. Young adults selected pursuant to subdivision (a) shall participate in the stakeholder meetings and provide input on the content of the employer manual.

(c) Once the manual is developed pursuant to subdivision (b), implement free employer trainings in Sacramento and Los Angeles counties based on the manual. The trainings shall include participation and personal testimony from young adults selected and trained pursuant to subdivision (a).

9328. (a) The board may administer the pilot program through a contract with a private, nonprofit organization for coordination and staff support.

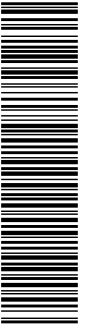
(b) Eligible uses of pilot program funds include, but are not limited to, stakeholder outreach, student trainings, employer trainings, administrative resources, and stipends for participating young adults.

9329. By December 31, 2021, the board shall submit a report to the Legislature, in accordance with Section 9795 of the Government Code. The report shall contain all of the following information:

(a) The overall success of the pilot program.

(b) An evaluation of the effectiveness of the program for the targeted population.

9330. This chapter shall remain in effect until January 1, 2022, and as of that date is repealed.



CHAPTER 7. LOCAL SERVICE DELIVERY

Article 1. Local Workforce Development Board

9331. (a) The local chief elected officials in a local workforce development area shall form, pursuant to guidelines established by the Governor and the board, a local workforce development board to plan and oversee the workforce investment system.

(b) The Governor shall periodically certify one local board for each local workforce development area in the state, following the requirements of the federal Workforce Innovation and Opportunity Act of 2014.

(c) The Governor shall establish, through the California Workforce Development Board, standards for certification of high-performance local workforce development boards. The California Workforce Development Board shall, in consultation with representatives from local workforce development boards, initiate a stakeholder process to determine the appropriate measurable metrics and standards for high-performance certification. These standards shall be implemented on or before January 1, 2013, and the first certification of high-performance local workforce development boards shall occur on or before July 1, 2013. Certification and recertification of each high-performance local workforce development board shall occur thereafter midway through the implementation of the local and regional plans required by the Workforce Innovation and Opportunity Act. In order to meet the standards for certification, a high-performance local workforce development board shall do all of the following:

(1) Consistently meet or exceed negotiated performance goals for all of the measures in each of the three federal Workforce Innovation and Opportunity Act of 2014 customer groups, which consist of adults, dislocated workers, and youth.

(2) Consistently meet the statutory requirements of this division.

(3) Develop and implement local policies and a local strategic plan that meets all of the following requirements:

(A) Meets all local and regional planning requirements specified under the federal Workforce Innovation and Development Act of 2014.

(B) Is consistent with the California Workforce Development Board State Plan.

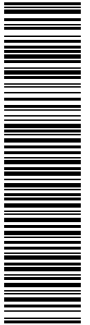
(C) Describes the actions that the board shall take to implement local policies in furtherance of its goals.

(D) Serves as a written account of intended future courses of action aimed at achieving the specific goals of the local and state board within a specific timeframe.

(E) Explains what needs to be done, by whom, and when each action is required to occur in order to meet those goals.

(4) Demonstrate that the local planning process involves key stakeholders, including the major employers and industry groups in the relevant regional economy and organized labor.

(5) Demonstrate that the local planning process takes into account the entire workforce training pipeline for the relevant regional economy, including partners in K–12 education, career technical education, the community college system, other postsecondary institutions, and other local workforce development areas operating in the relevant regional economy.



(6) Demonstrate that the local planning process and plan are data driven, and that policy decisions at the local level are evidence based. Each high-performance local workforce development board shall use labor market data to develop and implement the local plan, taking care to steer resources into programs and services that are relevant to the needs of each workforce development area's relevant regional labor market and high-wage industry sectors. Local workforce development areas shall demonstrate an evidence-based approach to policymaking by establishing performance benchmarks and targets to measure progress toward local goals and objectives.

(7) Demonstrate investment in workforce initiatives, and, specifically, training programs that promote skills development and career ladders relevant to the needs of each local workforce development area's regional labor market and high-wage industry sectors.

(8) Establish a youth strategy aligned with the needs of each workforce investment area's regional labor market and high-wage industry sectors.

(9) Establish a business service plan that integrates local business involvement with workforce initiatives. This plan at a minimum shall include all of the following:

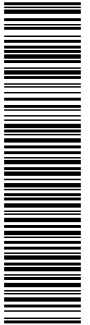
(A) Efforts to partner with businesses to identify the workforce training and educational barriers to attract jobs in the relevant regional economy, existing skill gaps reducing the competitiveness of local businesses in the relevant regional economies, and potential emerging industries that would likely contribute to job growth in the relevant regional economy if investments were made for training and educational programs.

(B) An electronic system for both businesses and job seekers to communicate about job opportunities.

(C) A subcommittee of the local workforce development board that further develops and makes recommendations for the business service plan for each local workforce development board in an effort to increase employer involvement in the activities of the local workforce development board. The subcommittee members should be comprised of business representatives on the local workforce development board who represent both the leading industries and employers in the relevant regional economy and potential emerging sectors that have significant potential to contribute to job growth in the relevant regional economy if investments were made for training and educational programs.

(d) The Governor and the Legislature, as part of the annual budget process, in consultation with the California Workforce Development Board, shall annually reserve a portion of the 15-percent discretionary fund made available pursuant to the federal Workforce Innovation and Opportunity Act of 2014 for the purpose of providing performance incentives to high-performance local workforce development boards. The remaining discretionary funds shall continue to be available for other discretionary purposes as provided for in the federal Workforce Innovation and Opportunity Act of 2014.

(e) Only a local workforce development board that is certified as a high-performance local workforce development board by the California Workforce Development Board shall be eligible to receive any incentive money reserved for high-performance local workforce development boards, as described in subdivision (d). A local workforce development board that is not certified as a high-performance local workforce development board shall not receive any portion of the money reserved



for high-performance local workforce development boards, as described in subdivision (d).

(f) The California Workforce Development Board shall establish a policy for the allocation of incentive moneys to high-performance local workforce development boards.

(g) To the extent permitted by the Workforce Innovation and Opportunity Act of 2014, the California Workforce Development Board may consider the utilization of incentive grants, or direct assistance, or both, to local workforce development boards for the purposes of this section.

(h) There shall not be a requirement to set aside federal Workforce Innovation and Opportunity Act of 2014 funds for the purposes of subdivision (d), (e), (f), or (g) in years when the federal government significantly reduces the share of federal Workforce Innovation and Opportunity Act of 2014 funds appropriated to the state for statewide discretionary purposes below the federal statutory amount of 15 percent.

9332. Local workforce development boards shall be established in each local workforce development area of the state to assist the local chief elected official in planning, oversight, and evaluation of local workforce investment. The local workforce development board shall promote effective outcomes consistent with statewide goals, objectives, and negotiated local performance standards.

9333. The Governor, in partnership with the board, shall establish criteria for use by chief elected officials in the local workforce development areas for appointment of members of the local boards. Such criteria shall require that, at a minimum, all of the following:

(a) A majority of the members of each local workforce development board shall be representatives of business in the local area, who:

(1) Are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority.

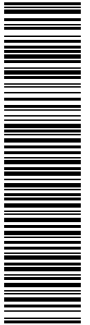
(2) Represent businesses, including small businesses, or organizations representing businesses described in this subdivision, that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local workforce development area.

(3) Are appointed from among individuals nominated by local business organizations and business trade associations.

(b) Not less than 20 percent of the members of each local workforce development board shall be representatives of the workforce within the local area, who:

(1) Shall include representatives of labor organizations, for a local workforce development area in which employees are represented by labor organizations, who have been nominated by local labor federations and these representatives shall amount to not less than 15 percent of local board membership, and be subject to the following:

(A) For a local workforce development area in which no employees are represented by such organizations, other representatives of employees shall be appointed to the board but any local workforce development board that appoints representatives of employees that are not nominated by local labor federations shall demonstrate that no employees are represented by such organizations in the local workforce development area.



(B) Shall include a representative, who shall be a member of a labor organization or a training director, from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of a state-approved apprenticeship program in the area, if such a program exists.

(2) May include representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for individuals with disabilities.

(3) May include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.

(c) Each local workforce development board shall include representatives of entities administering education and training activities in the local area, who:

(1) Shall include a representative of eligible providers administering adult education and literacy activities under Title II of the Workforce Innovation and Opportunity Act.

(2) Shall include a representative of institutions of higher education providing workforce investment activities, including community colleges.

(3) May include representatives of local educational agencies, and of community-based organizations with demonstrated experience and expertise in addressing the education or training needs of individuals with barriers to employment.

(d) Each local workforce development board shall include representatives of governmental and economic and community development entities serving the local workforce development area, who:

(1) Shall include a representative of economic and community development entities.

(2) Shall include an appropriate representative from the state employment service office under the Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.) serving the local workforce development area.

(3) Shall include an appropriate representative of the programs carried out under Title I of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 720 et seq.), other than Section 112 or Part C of that Title (29 U.S.C. Sec. 732, 741), serving the local workforce development area.

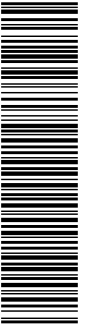
(4) May include representatives of philanthropic organizations serving the local workforce development area.

(e) Each local workforce development board may include such other individuals or representatives of entities as the chief elected official in the local workforce development area may determine to be appropriate.

9334. The local workforce development board shall elect a chairperson for the local workforce development board from among the business representatives.

9335. Consistent with the requirements of the Workforce Innovation and Opportunity Act, the local workforce development board shall do all of the following:

(a) In partnership with the chief elected official for the local workforce development area involved, develop and submit a local plan to the Governor that meets the requirements of the Workforce Innovation and Opportunity Act. If the local



workforce development area is part of a planning region that includes other local workforce development areas, the local workforce development board shall collaborate with the other local workforce development boards and chief elected officials from such other local workforce development areas in the preparation and submission of a regional plan as described in the Workforce and Innovation and Opportunity Act.

(b) In order to assist in the development and implementation of the local plan, the local workforce development board shall do all of the following:

(1) Carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities, including education and training, in the region described in Section 3123(b)(1)(D) of Title 29 of the United States Code, and regularly update such information.

(2) Assist the Governor in developing the statewide workforce and labor market information system described in Section 15(e) of the Wagner-Peyser Act (29 U.S.C. Sec. 491–2(e)), specifically in the collection, analysis, and utilization of workforce and labor market information for the region.

(3) Conduct such other research, data collection, and analysis related to the workforce needs of the regional economy as the board, after receiving input from a wide array of stakeholders, determines to be necessary to carry out its functions.

(c) Convene local workforce development system stakeholders to assist in the development of the local plan under Section 3123 of Title 29 of the United States Code and in identifying nonfederal expertise and resources to leverage support for workforce development activities. The local workforce development board, including standing committees, may engage such stakeholders in carrying out the functions described in this subdivision.

(d) Lead efforts to engage with a diverse range of employers and with entities in the region involved to do all of the following:

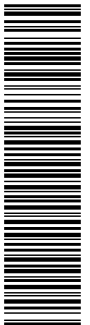
(1) Promote business representation, particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region, on the local workforce development board.

(2) Develop effective linkages, including the use of intermediaries, with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities.

(3) Ensure that workforce investment activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers.

(4) Develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers, like the establishment of industry and sector partnerships, that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

(e) With representatives of secondary and postsecondary education programs, lead efforts in the local workforce development area to develop and implement career pathways within the local workforce development area by aligning the employment,



training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.

(f) Lead efforts in the local workforce development area to accomplish both of the following:

(1) Identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers, including individuals with barriers to employment, in the local workforce development system, including providing physical and programmatic accessibility, in accordance with Section 3248 of Title 29 of the United States Code, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), to the one-stop delivery system.

(2) Identify and disseminate information on proven and promising practices carried out in other local workforce development areas for meeting these needs.

(g) Develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by doing all of the following:

(1) Facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local workforce development area.

(2) Facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas.

(3) Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system, such as improving digital literacy skills.

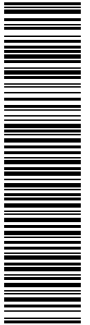
(4) Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

(h) In partnership with the chief elected official for the local workforce development area, shall conduct oversight for local youth workforce investment activities as required under the federal Workforce Innovation and Opportunity Act, ensure the appropriate use and management of the funds as required under the Workforce Innovation and Opportunity Act, and, for workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes as required under the federal Workforce Innovation and Opportunity Act.

(i) Negotiate and reach agreement on local performance accountability measures, as described in Section 3141(c) of Title 29 of the United States Code, with the chief elected official and the Governor.

(j) Select and provide access to system operators, service providers, trainers, and educators, in a manner consistent with the requirements of the Workforce Innovation and Opportunity Act and applicable state laws, including all of the following:

(1) Consistent with Section 3151(d) of Title 29 of the United States Code, and with the agreement of the chief elected official for the local workforce development area, designate or certify one-stop operators as described in Section 3151(d)(2)(A) of Title 29 of the United States Code and terminate for cause the eligibility of these operators.



(2) Consistent with Section 3153 of Title 29 of the United States Code, identify eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis, except as provided in Section 3153(b) of Title 29 of the United States Code, based on the recommendations of the youth standing committee, if such a committee is established for the local workforce development area and terminate for cause the eligibility of these providers.

(3) Consistent with Section 3152 of Title 29 of the United States Code and paragraph (4) of subdivision (d) of Section 9313, identify eligible providers of training services in the local workforce development area.

(4) If the one-stop operator does not provide career services described in Section 3174(c)(2) of Title 29 of the United States Code in a local area, identify eligible providers of those career services in the local workforce development area by awarding contracts.

(5) Consistent with Section 3152 of Title 29 of the United States Code and paragraphs (2) and (3) of Section 3174(c) of Title 29 of the United States Code, work with the state to ensure there are sufficient numbers and types of providers of career services and training services, including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities, serving the local workforce development area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities.

(k) Consistent with the requirements of the Workforce Innovation and Opportunity Act, coordinate activities with education and training providers in the local workforce development area, including providers of workforce development activities, providers of adult education and literacy activities under Title II of the Workforce Innovation and Opportunity Act, providers of career and technical education, as defined in Section 2302 of Title 20 of the United States Code, and local agencies administering plans under Title I of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 720 et seq.), other than Section 112 or Part C of that Title (29 U.S.C. Sec. 732, 741).

9336. The local workforce development board, in order to carry out its functions:

(a) Shall prepare a budget for the purpose of carrying out the duties of the local workforce development board as specified under this section, subject to the approval of the local chief elected official.

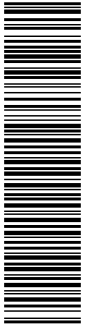
(b) Shall direct the activities of the local workforce development board's executive director.

(c) May employ additional staff to carry out the activities as described in the local workforce development board's plan.

(d) May solicit and accept contributions and grant funds from other sources.

(e) Shall not provide training services unless the Governor grants a written waiver in accordance with the process outlined in the Workforce Innovation and Opportunity Act.

(f) May provide career services described in Section 3174(c)(2) of Title 29 of the United States Code through a one-stop delivery system or be designated or certified as a one-stop operator only with the agreement of the chief elected official in the local workforce development area and the Governor.



9337. A local workforce development board may establish as a standing committee to provide information and to assist with planning, operational, and other issues relating to the provision of services to youth, which shall include community-based organizations with a demonstrated record of success in serving eligible youth. Members of this committee shall be appointed in conformity with the requirements of the federal Workforce Innovation and Opportunity Act.

9338. It is the intent of the Legislature that if appointing members to any standing committee on the provision of youth services, the local workforce development board and the local chief elected official shall endeavor to appoint:

- (a) Representatives of youth who are enrolled in school and out-of-school youth.
- (b) Representatives from the private sector.
- (c) Representatives of local educational agencies serving youth.
- (d) Representatives of private nonprofit agencies serving youth.
- (e) Representatives of apprenticeship training programs serving youth.

9339. (a) (1) Beginning program year 2012, an amount equal to at least 25 percent of funds available under Title I of the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128) provided to local workforce investment boards for adults and dislocated workers shall be spent on workforce training programs. This minimum may be met either by spending 25 percent of those base formula funds on training or by combining a portion of those base formula funds with leveraged funds as specified in subdivision (b).

(2) Beginning program year 2016, an amount equal to at least 30 percent of funds available under Title I of the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128) provided to local workforce development boards for adults and dislocated workers shall be spent on workforce training programs. This minimum may be met either by spending 30 percent of those base formula funds on training or by combining a portion of those base formula funds with leveraged funds as specified in subdivision (b).

(3) Except as provided in subdivision (b), expenditures that shall count toward the minimum percentage of funds shall include only training services as defined in Section 3174(c)(3)(D) of Title 29 of the United States Code and the corresponding sections of the Code of Federal Regulations, including all of the following:

- (A) Occupational skills training, including training for nontraditional employment.
- (B) On-the-job training.
- (C) Programs that combine workplace training with related instruction, which may include cooperative education programs.
- (D) Training programs operated by the private sector.
- (E) Skills upgrading and retraining.
- (F) Entrepreneurial training.
- (G) Incumbent worker training in accordance with Section 3174(d)(4) of Title 29 of the United States Code.
- (H) Transitional jobs in accordance with Section 3174(d)(5) of Title 29 of the United States Code.
- (I) Job readiness training provided in combination with any of the services described in subparagraphs (A) to (H), inclusive.
- (J) Adult education and literacy activities provided in combination with services described in any of subparagraphs (A) to (G), inclusive.



(K) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(b) (1) Local workforce development boards may receive a credit of up to 10 percent of their adult and dislocated worker formula fund base allocations for public education and training funds and private resources from industry and from joint labor-management trusts that are leveraged by a local workforce development board for expenditure on training and supportive services. This credit may be applied toward the minimum training requirements in paragraphs (1) and (2) of subdivision (a).

(A) Leveraged funds that may be applied toward the credit allowed by this subdivision shall only include the following:

(i) Federal Pell Grants established under Title IV of the federal Higher Education Act of 1965 (20 U.S.C. Sec. 1070 et seq.).

(ii) Programs authorized by the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128).

(iii) Trade adjustment assistance.

(iv) United States department of Labor National Dislocated Worker Grants.

(v) Match funds from employers, industry, and industry associations.

(vi) Match funds from joint labor-management trusts.

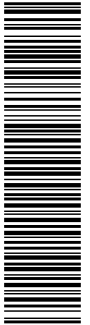
(vii) Employment training panel grants.

(viii) Supportive services as defined by the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128) and the corresponding sections of the Code of Federal Regulations, but only for those individuals enrolled in training services for occupations in demand by industry, as defined in Section 3174(c)(3)(D) of Title 29 of the United States Code and the corresponding sections of the Code of Federal Regulations. Supportive services may include, but are not limited to, the costs of trainees' or students' books, safety and lab equipment, tools and any payment of costs permitted under the rules of the federal Workforce Innovation and Opportunity Act of 2014 and corresponding regulations pertaining to supportive services expenditures, including the rule that these supportive services costs are necessary for the individual to participate in training.

(ix) Temporary Assistance for Needy Families (TANF) funds spent on supportive services as defined by the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128) and the corresponding sections of the Code of Federal Regulations, for TANF enrolled individuals coenrolled in and receiving training services for occupations in demand by industry through the federal Workforce Innovation and Opportunity Act of 2014. Supportive services may include, but are not limited to, the costs of trainees' or students' books, safety and lab equipment, tools and any payment of costs permitted under the rules of the federal Workforce Innovation and Opportunity Act of 2014 and corresponding regulations pertaining to supportive services expenditures, including the rule that these supportive services costs are necessary for the individual to participate in training.

(x) Temporary Assistance for Needy Families (TANF) funds spent on transitional and subsidized employment for TANF enrolled individuals coenrolled in and receiving training services through the federal Workforce Innovation and Opportunity Act of 2014.

(xi) Any other local, state, or federal funds spent on training or supportive services for individuals enrolled in training, provided the individuals receiving the training are



enrolled in the federal Workforce Innovation and Opportunity Act of 2014 for performance reporting and tracking purposes.

(xii) With the approval of the state board, any other public or private funds source not identified in this subparagraph that is used to provide training or supportive services for individuals who are also enrolled in training provided the individuals receiving the relevant services are enrolled in the federal Workforce Innovation and Opportunity Act of 2014 for performance reporting and tracking purposes.

(B) Credit for leveraged funds shall only be given if the local workforce development board keeps records of all training and supportive services expenditures it chooses to apply to the credit. Training and supportive services expenditures may only be applied to the credit if the relevant training costs can be independently verified by the Department of Better Jobs and Higher Wages and, without exception, training participants must be coenrolled in the federal Workforce Innovation and Opportunity Act of 2014 performance monitoring system.

(2) The use of leveraged funds to partially meet the training requirements specified in paragraphs (1) and (2) of subdivision (a) is the prerogative of a local workforce development board. A local workforce development board shall annually provide data to the Department of Better Jobs and Higher Wages on the amount of leveraged funds used to partially meet the requirements of subdivision (a). This data shall disaggregate and report separately, the amount spent on both training and supportive services. Costs arising from the recordkeeping required to demonstrate compliance with the leveraging requirements of this subdivision are the responsibility of the local workforce development board.

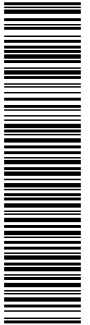
(c) (1) At the end of each program year, the Department of Better Jobs and Higher Wages shall calculate for each local workforce development board whether the local workforce development board met the expenditure requirements of this section.

(2) The Department of Better Jobs and Higher Wages shall provide to each local workforce development board its individual calculations with respect to the expenditure requirements of this section.

(3) The Department of Better Jobs and Higher Wages shall report annually to the Governor, the Legislature, and the California Workforce Development Board, on or before November 30, regarding the training and supportive services expenditures made by local workforce development boards pursuant to the expenditure requirements of this section.

(4) Consistent with the definitions and regulations of the federal Workforce Innovation and Opportunity Act of 2014, the Department of Better Jobs and Higher Wages shall specify which expenditures qualify as training and supportive services expenditures. The annual report shall specify the total amount of federal funding provided to the state and to each of the local workforce development areas for the adult and dislocated persons programs and the amount of these federal Workforce Innovation and Opportunity Act of 2014 funds expended for training services.

(5) Consistent with calculations required by paragraph (1), the report shall also include, for each local workforce development area, the total amount of leverage funds utilized as training expenditure allowances authorized by subdivision (b) to meet the expenditure requirements of this section. The report shall specify the share of leverage funds that were expended on both training and supportive services for each Local Workforce Development Area.



(6) A report submitted pursuant to this section shall comply with Section 9795 of the Government Code.

(d) A local workforce development area that does not meet the requirements of subdivision (a) shall submit a corrective action plan to the Department of Better Jobs and Higher Wages that provides reasons for not meeting the requirements and describes actions taken to address the identified expenditure deficiencies. A local workforce development area shall provide a corrective action plan to the Department of Better Jobs and Higher Wages pursuant to this section within 90 days of receiving the calculations described in subdivision (c).

(e) For the purpose of this section, "program year" has the same meaning as provided in Section 667.100 of Title 20 of the Code of Federal Regulations.

Article 2. Local Workforce Development Plan

9340. Each local workforce development board shall develop and submit to the Governor a comprehensive four-year local plan in partnership with the appropriate chief local elected official. The local plan shall be consistent with the State Plan. If the local workforce development area is part of a planning region, the local workforce development board shall comply with Section 3121(c) of Title 29 of the United States Code in the preparation and submission of a regional plan. At the end of the first two-year period of the four-year local plan, each local workforce development board shall review the local plan and the local workforce development board, in partnership with the chief elected official, shall prepare and submit modifications to the local plan to reflect changes in labor market and economic conditions or in other factors affecting the implementation of the local plan.

9341. The local plan shall include all of the following:

(a) A description of the strategic planning elements consisting of each of the following:

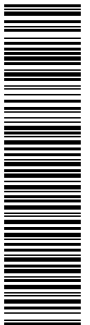
(1) An analysis of the regional economic conditions, including, existing and emerging in-demand industry sectors and occupations and the employment needs of employers in those industry sectors and occupations.

(2) An analysis of the knowledge and skills needed to meet the employment needs of the employers in the region, including employment needs in in-demand industry sectors and occupations.

(3) An analysis of the workforce in the region, including current labor force employment and unemployment data, and information on labor market trends, and the educational and skill levels of the workforce in the region, including individuals with barriers to employment.

(4) An analysis of the workforce development activities, including education and training, in the region, including an analysis of the strengths and weaknesses of such services, and the capacity to provide such services, to address the identified education and skill needs of the workforce and the employment needs of employers in the region.

(5) A description of the local workforce development board's strategic vision and goals for preparing an educated and skilled workforce, including youth and individuals with barriers to employment, including goals relating to the performance accountability measures based on primary indicators of performance described in



Section 3141(b)(2)(A) of Title 29 of the United States Code in order to support regional economic growth and economic self-sufficiency.

(6) Taking into account analyses described in paragraphs (1) to (4), inclusive, a strategy to work with the entities that carry out the core programs to align resources available to the local workforce development area, to achieve the strategic vision and goals described in paragraph (5).

(b) A description of the workforce development system in the local workforce development area that identifies the programs that are included in that system and how the local workforce development board will work with the entities carrying out core programs and other workforce development programs to support alignment to provide services, including programs of study authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), that support the strategy identified in the State Plan under Section 3112(b)(1)(E) of the Title 29 of the United States Code.

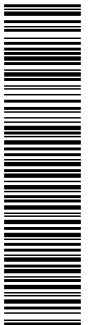
(c) A description of how the local workforce development board, working with the entities carrying out core programs, will expand access to employment, training, education, and supportive services for eligible individuals, particularly eligible individuals with barriers to employment, including how the local workforce development board will facilitate the development of career pathways and co-enrollment, as appropriate, in core programs, and improve access to activities leading to a recognized postsecondary credential, including a credential that is an industry-recognized certificate or certification, portable, and stackable.

(d) A description of the strategies and services that will be used in the local workforce development area in order to facilitate engagement of employers, including small employers and employers in in-demand industry sectors and occupations, in workforce development programs, support a local workforce development system that meets the needs of businesses in the local workforce development area, better coordinate workforce development programs and economic development, and strengthen linkages between the one-stop delivery system and unemployment insurance programs. This may include the implementation of initiatives such as incumbent worker training programs, on-the-job training programs, customized training programs, industry and sector strategies, career pathways initiatives, utilization of effective business intermediaries, and other business services and strategies, designed to meet the needs of employers in the corresponding region in support of the strategy described in paragraph (5) of subdivision (a).

(e) A description of how the local workforce development board will coordinate workforce investment activities carried out in the local workforce development area with economic development activities carried out in the region in which the local workforce development area is located, or planning region, and promote entrepreneurial skills training and microenterprise services.

(f) A description of the one-stop delivery system in the local workforce development area, including all of the following:

(1) A description of how the local workforce development board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers, and workers and jobseekers.



(2) A description of how the local workforce development board will facilitate access to services provided through the one-stop delivery system, including in remote areas, through the use of technology and through other means.

(3) A description of how entities within the one-stop delivery system, including one-stop operators and the one-stop partners, will comply with Section 3248 of Title 29 of the United States Code, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) regarding the physical and programmatic accessibility of facilities, programs and services, technology, and materials for individuals with disabilities, including providing staff training and support for addressing the needs of individuals with disabilities.

(4) A description of the roles and resource contributions of the one-stop partners.

(g) A description and assessment of the type and availability of adult and dislocated worker employment and training activities in the local workforce development area.

(h) A description of how the local workforce development board will coordinate workforce investment activities carried out in the local area with statewide rapid response activities, as described in Section 3174(a)(2)(A) of Title 29 of the United States Code.

(i) A description and assessment of the type and availability of youth workforce investment activities in the local workforce development area, including activities for youth who are individuals with disabilities, which description and assessment shall include an identification of successful models of such youth workforce investment activities.

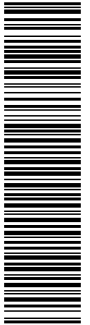
(j) A description of how the local workforce development board will coordinate education and workforce investment activities carried out in the local workforce development area with relevant secondary and postsecondary education programs and activities to coordinate strategies, enhance services, and avoid duplication of services.

(k) A description of how the local workforce development board will coordinate workforce investment activities carried out under this article in the local area with the provision of transportation, including public transportation, and other appropriate supportive services in the local workforce development area.

(l) A description of plans and strategies for, and assurances concerning, maximizing coordination of services provided by the state employment service under the Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.) and services provided in the local workforce development area through the one-stop delivery system, to improve service delivery and avoid duplication of services.

(m) A description of how the local workforce development board will coordinate workforce investment activities carried out in the local workforce development area with the provision of adult education and literacy activities in the local workforce development area, including a description of how the local workforce development board will carry out, consistent with subparagraphs (A) and (B)(i) of Section 3122(d)(11) of Title 29 of the United States Code and Section 3322 of Title 29 of the United States Code, the review of local applications.

(n) A description of the replicated cooperative agreements, as defined in Section 3122(d)(11) of Title 29 of the United States Code between the local workforce development board or other local entities described in Section 101(a)(11)(B) of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 721(a)(11)(B)) and the local office of a



designated state agency or designated state unit administering programs carried out under Title I of that act, other than Section 112 or Part C of that Title (29 U.S.C. Secs. 732 and 741) and subject to Section 3151(f) of Title 29 of the United States Code, in accordance with Section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 721(a)(11)) with respect to efforts that will enhance the provision of services to individuals with disabilities and to other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

(o) An identification of the entity responsible for the disbursement of grant funds described in Section 3122(d)(12)(B)(i)(III) of Title 29 of the United States Code, as determined by the chief elected official or the Governor under Section 3122(d)(12)(B)(i) of Title 29 of the United States Code.

(p) A description of the competitive process to be used to award the subgrants and contracts in the local workforce development area for activities carried out pursuant to this act.

(q) A description of the local levels of performance negotiated with the Governor and chief elected official pursuant to Section 3141(c) of Title 29 of the United States Code, to be used to measure the performance of the local workforce development area and to be used by the local workforce development board for measuring the performance of the local fiscal agent, where appropriate, eligible providers, and the one-stop delivery system, in the local workforce development area.

(r) A description of the actions the local workforce development board will take toward becoming or remaining a high-performing board, consistent with the factors developed by the board pursuant to Section 3111(d)(6) of Title 29 of the United States Code. This federal requirement is separate and apart from state standards pertaining to the certification of high-performance local workforce development boards.

(s) A description of how training services will be provided in accordance with Section 3174(c)(3)(G) of Title 29 of the United States Code, including, if contracts for the training services will be used, how the use of such contracts will be coordinated with the use of individual training accounts and how the local board will ensure informed customer choice in the selection of training programs regardless of how the training services are to be provided.

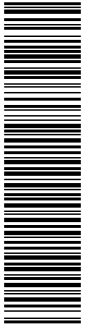
(t) A description of the process used by the local workforce development board, consistent with subsection (d), to provide an opportunity for public comment, including comment by representatives of businesses and comment by representatives of labor organizations, and input into the development of the local plan, prior to submission of the plan.

(u) A description of how one-stop centers are implementing and transitioning to an integrated, technology-enabled intake and case management information system for programs carried out under this act and programs carried out by one-stop partners.

(v) Any other information as the Governor may require.

9342. To the extent permitted under the federal Workforce Innovation and Opportunity Act, the local workforce development board may submit a local unified plan that includes or integrates the local workforce investment and other local workforce plans such as:

(a) An instructional and job training plan required by Section 10200 of the Education Code.



(b) A plan for community college curriculum development or redesign required pursuant to Section 79202 of the Education Code.

(c) A county plan for CalWORKs required by Section 10531 of the Welfare and Institutions Code.

(d) A local welfare-to-work plan, to the extent permitted under federal law.

9343. Prior to the date upon which the local workforce development board submits a local plan, the local workforce development board shall make available copies of a proposed local plan to the public through electronic and other means, like public hearings and local news media, allow members of the public, including representatives of business, representatives of labor organizations, and representatives of education to submit comments on the proposed local plan to the local workforce development board not later than the end of the 30-day period beginning on the date on which the proposed local plan is made available and submit the plan to the Governor along with any comments that were in disagreement with the plan.

Article 3. One-Stop Career Center System

9344. (a) It is the intent of the Legislature that:

(1) California deliver comprehensive workforce services to jobseekers, students, and employers through a system of one-stop career centers.

(2) Services and resources target high-wage industry sectors with career advancement opportunities.

(3) Universal access to career services shall be available to adult residents regardless of income, education, employment barriers, or other eligibility requirements. Career services shall include, but not be limited to:

(A) Outreach, intake, and orientation to services available through the one-stop delivery system.

(B) Initial assessment of skill levels, aptitudes, abilities, and supportive service needs.

(C) Job search and placement assistance.

(D) Career counseling, where appropriate.

(E) Provision of labor market information.

(F) Provision of program performance and cost information on eligible providers of training services and local workforce development area performance measures.

(G) Provision of information on supportive services in the local workforce development area.

(H) Provision of information on the filing of claims for unemployment compensation benefits and unemployment compensation disability benefits.

(I) Assistance in establishing eligibility for welfare-to-work activities pursuant to Section 11325.8 of the Welfare and Institutions Code, and financial aid assistance.

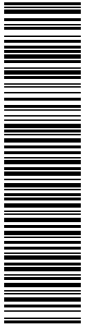
(J) Comprehensive and specialized assessments of skill levels and service needs, including learning disability screening.

(K) Development of individual employment plans.

(L) Counseling.

(M) Career planning.

(N) Short-term prevocational services to prepare an individual for training or employment.



(4) State and federally funded workforce education, training, and employment programs shall be integrated in the one-stop delivery system to achieve universal access to the career services described in paragraph (3).

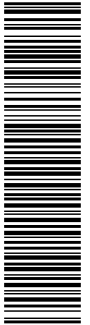
(5) Training services shall be made available to individuals who have met the requirements for career services, have been unable to obtain or retain employment through career services, are in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to, or higher than, wages from previous employment, have the skills and qualifications to successfully participate in the training, and have selected a program of services directly linked to occupations in demand in the local or regional workforce development area. Training services may include:

- (A) Occupational skill training including training for nontraditional employment.
- (B) On-the-job training.
- (C) Programs that combine workplace training with related instruction.
- (D) Training programs operated by the private sector.
- (E) Skill upgrading and retraining.
- (F) Entrepreneurial training.
- (G) Incumbent worker training, in accordance with Section 134(d)(4) of the federal Workforce Innovation and Opportunity Act.
- (H) Transitional jobs, in accordance with Section 134(d)(5) of the federal Workforce Innovation and Opportunity Act.
- (I) Job readiness training, provided in combination with any service under subparagraphs (A) to (H), inclusive.
- (J) Adult education and literacy activities, including vocational English as a second language, provided in combination with subparagraphs (A) through (G), inclusive.
- (K) Customized training conducted by an employer or a group of employers or a labor-management training partnership with a commitment to employ an individual upon completion of the training.

(6) As prescribed in the federal Workforce Innovation and Opportunity Act, adult recipients of public assistance, other low-income adults, and individuals who are basic skills deficient shall be given priority for training services and career services described in Section 134(d)(2)(A)(xii) of the federal Workforce Innovation and Opportunity Act.

(b) Each local workforce development board shall establish at least one full comprehensive America's Job Center of California location in the local workforce development area. Each comprehensive location shall have all entities required to be partners in Section 3151 of Title 29 of the United States Code as partners and shall provide jobseekers with integrated employment, education, training, and job search services. Additionally, employers will be provided with access to comprehensive career and labor market information, job placement, economic development information, performance and program information on service providers, and other such services as the businesses in the community may require.

(c) Local workforce development boards may also establish affiliated and specialized centers, as defined in the federal Workforce Innovation and Opportunity Act of 2014, which shall act as portals into the larger local one-stop system, but are not required to have all of the partners specified for comprehensive locations.



(d) Each local workforce development board shall develop a policy for identifying individuals who, because of their skills or experience, should be referred immediately to training services. To the extent permitted under the federal Workforce Innovation and Opportunity Act of 2014, this policy, along with the methods for referral of individuals between the one-stop operators and the one-stop partners for appropriate services and activities, shall be contained in the memorandum of understanding between the local workforce development board and the one-stop partners.

(e) (1) The California Workforce Development Board and each local workforce development board shall ensure that programs and services funded by the federal Workforce Innovation and Opportunity Act of 2014 and directed to apprenticeable occupations, including preapprenticeship training, are conducted, to the maximum extent feasible, in coordination with one or more apprenticeship programs approved by the Division of Apprenticeship Standards for the occupation and geographic area. The California Workforce Development Board and each local workforce development board shall also develop a policy of fostering collaboration between community colleges and approved apprenticeship programs in the geographic area to provide preapprenticeship training, apprenticeship training, and continuing education in apprenticeable occupations through the approved apprenticeship programs.

(2) (A) The California Workforce Development Board and each local workforce development board also shall ensure, to the maximum extent feasible, that federal Workforce Innovation and Opportunity Act of 2014 funds respectively awarded by them for purposes of preapprenticeship training in the building and construction trades fund programs and services that do both of the following:

(i) Follow the Multi-Craft Core Curriculum implemented by the State Department of Education for its pilot project with California Partnership Academies.

(ii) Develop a plan for outreach and retention for women participants in the preapprenticeship program to help increase the representation of women in the building and construction trades.

(B) The California Workforce Development Board shall develop policies for the implementation of these provisions.

(f) In light of California's diverse population, each one-stop career center should have the capacity to provide the appropriate services to the full range of languages and cultures represented in the community served by the one-stop career center.

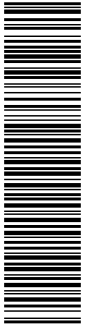
9345. For purposes of this division and any laws governing workforce development programs, and to the extent permitted under Chapter 32 of Title 29 of the United States Code and any related regulations, entrance into a registered apprenticeship program shall be considered placement into a job.

9346. (a) The local providers of the following programs or activities shall be required partners in the local one-stop system:

(1) Programs authorized under Title I of the Workforce Innovation and Opportunity Act.

(2) Programs authorized under the Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.).

(3) Adult education and literacy activities authorized under Title II of the Workforce Innovation and Opportunity Act.



(4) Programs authorized under Title I of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 720 et seq.) other than Section 112 or Part C of the act (29 U.S.C. Sec. 732 and 741).

(5) Activities authorized under Title V of the Older Americans Act of 1965 (42 U.S.C. Sec. 3056 et seq.).

(6) Career and technical education programs at the postsecondary level authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. Sec. 2301 et seq.).

(7) Activities authorized under Chapter 2 of Title II of the Trade Act of 1974 (19 U.S.C. Sec. 2271 et seq.).

(8) Activities authorized under Chapter 41 (commencing with Section 4100) of Title 38 of the United States Code.

(9) Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. Sec. 9901 et seq.).

(10) Employment and training activities carried out by the Department of Housing and Urban Development.

(11) Programs authorized by this code, in accordance with applicable federal law.

(12) Programs authorized under Section 212 of the Second Chance Act of 2007 (42 U.S.C. Sec. 17532).

(13) Programs authorized under Part A of Title IV of the Social Security Act (42 U.S.C. Sec. 601 et seq.).

(b) Community-based organizations that provide career services as described in subparagraphs (J) to (N), inclusive, of paragraph (1) of subdivision (a) of Section 14230, shall be encouraged to be one-stop partners.

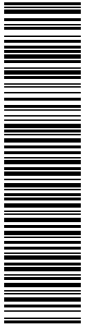
9347. In conformity with the requirements of Section 3151 of Title 29 of the United States Code, and all applicable state and federal laws and regulations, the local board, with the agreement of the chief local elected official for the local workforce development area, shall develop and enter into a memorandum of understanding with the local one-stop partners, designate, certify, and terminate one-stop operators, and conduct oversight over the local one-stop delivery system.

9348. One-stop career center operators shall recognize and comply with applicable labor agreements affecting employees of one-stop career centers, including the right to access by labor representatives pursuant to the Ralph C. Dills Act (Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1 of the Government Code).

9349. In order to avoid a conflict of interest, operators of one-stop career centers that issue vouchers shall not be the recipient of vouchers issued by their center without the approval of the chief local elected official and the state board in instances when there are no other potential one-stop partners in the local workforce development area.

9350. To the full extent permitted by federal law, required by federal law, or both, the Department of Better Jobs and Higher Wages shall utilize its Wagner-Peyser funded activities and programs to support local one-stop career centers.

Article 4. Educational Services



9351. Notwithstanding any other law, when a person using their Workforce Innovation and Opportunity Act individual training account enrolls in an adult education program, a noncredit curricula program at a community college, or a regional occupational center or program, for which state funds are allocated, all of the following shall apply:

(a) The entities administering the program may use Workforce Innovation and Opportunity Act individual training account funds only to increase the number of hours of services provided above their adult block entitlement pursuant to Section 52616 of the Education Code and funding limit for regional occupational center programs for the purpose of enhancing services already supported with state funds. Any state funds provided to these entities above their adult block entitlements and funding limit for regional occupational center programs shall be subject to an appropriation in the annual Budget Act.

(b) Any state funds allocated to the entity administering the program shall not be offset with the Workforce Innovation and Opportunity Act individual training account funds.

(c) The entity administering the program shall use the Workforce Innovation and Opportunity Act individual training account funds received for the program.

9352. To the extent permitted by federal law, school districts and county offices of education are eligible to apply to local workforce development boards to provide basic skills training and skills necessary for attaining a secondary school diploma.

9353. To the extent permissible under federal law, the Governor may set aside a portion of the youth funding specifically for programs to improve the academic skills of low-achieving youth and for dropout prevention activities.

CHAPTER 8. CALIFORNIA GREEN COLLAR JOBS ACT OF 2008

9354. This chapter shall be known, and may be cited, as the California Green Collar Jobs Act of 2008.

9355. (a) The Legislature finds and declares all of the following:

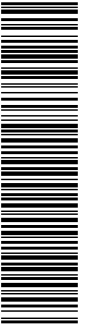
(1) The State of California has long been a national and international leader on environmental, natural resource, pollution prevention, and energy issues, as well as recent landmark laws in the areas of climate change, renewable energy, energy efficiency, and alternative transportation fuels.

(2) The passage of these laws has resulted in billions of dollars of investment capital flowing into the State of California for research, development, and commercialization of new green and clean technologies. This investment of capital is indicative of the rapidly growing clean and green technology sector of the California economy.

(3) California's green economy is about the potential of new technologies combined with innovative public policy and strategic investments to stimulate the growth of new markets for green products and services.

(4) As the green economy grows, it will be accompanied by an increased demand for a highly skilled and well-trained "green collar" workforce.

(5) California state government must act promptly to build the partnerships, expand the programs, and secure the resources necessary to meet our green workforce needs. This effort must involve both our K-12 and higher education systems, labor



unions, the environmental community, workforce development programs, nongovernmental organizations, philanthropy, and private sector industries.

(6) In acknowledgment of the tremendous size of California's economy and related infrastructure, the application of sector strategies in a wide variety of industry sectors is essential to providing labor for industry and career paths for current and potential employees. The California Workforce Development Board shall adopt a sector strategy approach in responding to industry sector workforce and economic development needs. This strategy will ensure industry has a qualified workforce and can offer opportunities for employment, training, and career advancement for all Californians. The initial drive of this sector strategy approach will be the California Green Collar Jobs Act of 2008.

9356. (a) The California Workforce Development Board (CWDB) shall establish a special committee known as the Green Collar Jobs Council (GCJC), composed of the appropriate representatives from the CWDB existing membership, including the K-12 representative, the California Community Colleges representative, the Governor's Office of Business and Economic Development representative, the Department of Better Jobs and Higher Wages representative, and other appropriate members. The GCJC may consult with other state agencies, other higher education representatives, local workforce development boards, and industry representatives as well as philanthropic, nongovernmental, and environmental groups, as appropriate, in the development of a strategic initiative. To the extent private funds are available, is the intent of the Legislature that the GCJC will develop an annual award for outstanding achievement for workforce training programs operated by local or state agencies, businesses, or nongovernment organizations to be named after Parrish R. Collins.

(b) As part of the strategic initiative, the GCJC shall focus on developing the framework, funding, strategies, programs, policies, partnerships, and opportunities necessary to address the growing need for a highly skilled and well-trained workforce to meet the needs of California's emerging green economy. The GCJC shall do all of the following:

(1) Assist in identifying and linking green collar job opportunities with workforce development training opportunities in local workforce development areas (LWDAs), encouraging regional collaboration among LWDAs to meet regional economic demands.

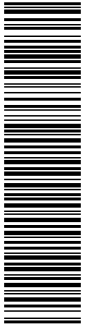
(2) Align workforce development activities with regional economic recovery and growth strategies.

(3) Develop public, private, philanthropic, and nongovernmental partnerships to build and expand the state's workforce development programs, network, and infrastructure.

(4) Provide policy guidance for job training programs for the clean and green technology sectors to help them prepare specific populations, such as at-risk youth, displaced workers, veterans, formerly incarcerated individuals, and others facing barriers to employment.

(5) Develop, collect, analyze, and distribute statewide and regional labor market data on California's new and emerging green industries workforce needs, trends, and job growth.

(6) Collaborate with community colleges and other educational institutions, registered apprenticeship programs, business and labor organizations, and



community-based and philanthropic organizations to align workforce development services with strategies for regional economic growth.

(7) Identify funding resources and make recommendations on how to expand and leverage these funds.

(8) Foster regional collaboratives in the green economic sector.

(c) The CWDB may accept any revenues, moneys, grants, goods, or services from federal and state entities, philanthropic organizations, and other sources, to be used for purposes relating to the administration and implementation of the strategic initiative, as described in subdivision (b). The CWDB shall also ensure the highest level of transparency and accountability and make information available on the CWDB internet website.

(d) Upon appropriation by the Legislature, the department may expend the moneys and revenues received pursuant to subdivision (c) for purposes related to the administration and implementation of the strategic initiative, and for the award of workforce training grants implementing the strategic initiative.

9357. (a) On or before April 1, 2011, and annually each April 1 thereafter, the CWDB shall report to the Legislature on the status of GCJC activities, grants awarded, and its development and implementation of a green workforce strategic initiative.

(b) The GCJC shall also consult with the appropriate state and local agencies to identify opportunities to coordinate the award of grant and green workforce training funds received by the state under the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) or any other funding sources.

CHAPTER 9. EMPLOYMENT ASSISTANCE FOR WORKERS WITH DISABILITIES

9358. (a) It is the purpose of this chapter to ensure that workforce preparation services provided through California's one-stop centers, including information and services provided electronically, are accessible to employers and jobseekers with disabilities.

(b) It is further the intent of the Legislature that one-stop centers provide appropriate services to individuals with disabilities to enhance their employability.

(c) It is further the intent of the Legislature that, in order to achieve the goals specified in subdivisions (a) and (b), local workforce development boards plan for and report on services to jobseekers and employers with disabilities, including the implementation of the federal Ticket to Work program for those local workforce development boards and America's Job Center of California locations that choose to implement the Ticket to Work program in their local workforce development areas.

9359. Each local workforce development board shall establish at least one comprehensive one-stop career center in each local workforce development area. These one-stop centers shall ensure access to services pursuant to Section 134(c) of the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3174(c)), including services for persons with disabilities, including, but not limited to, all of the following:

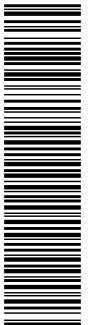
(a) Outreach, intake, and orientation.

(b) Initial assessments of skills, aptitudes, abilities, and need for support services.

(c) Program eligibility determinations.

(d) Information on the local, regional, and national labor market.

(e) Information on filing for unemployment insurance.



(f) Access to intensive services as needed, including, but not limited to, comprehensive and specialized assessments of skill levels and service needs, development of individual employment plans, group counseling, individual counseling and career planning, case management for participants seeking training services under subdivision (g), and short-term prevocational services, such as learning, communication, interview, and other jobseeking and work related skills to help prepare individuals for unsubsidized employment and training.

(g) Training services, including, but not limited to, occupational skills training, on-the-job training, workplace training and cooperative education programs, private sector training programs, skills upgrade and retraining, entrepreneurial training, job readiness training, adult education, and literacy activities combined with training, and customized training.

9360. The local workforce development boards shall schedule and conduct regular performance reviews of their one-stop centers to determine whether the centers and providers are providing effective and meaningful opportunities for persons with disabilities to participate in the programs and activities of the centers and providers.

9361. One-stop center staff shall provide accurate information to beneficiaries of Supplemental Security Income and the State Supplemental Program and Social Security Disability Insurance on the implications of work for these individuals. The information shall include, but not be limited to, referrals to appropriate benefits' planners. One-stop center staff shall also provide accurate information to individuals with disabilities on how they may gain access to Medi-Cal benefits pursuant to Section 14007.9 of the Welfare and Institutions Code.

9362. In order to ensure that one-stop career centers operated by local workforce development boards meet the needs of workers and employers with disabilities, the Governor shall ensure that evaluations conducted pursuant to the federal Workforce Innovation and Opportunity Act address how local one-stop centers provide all of the following:

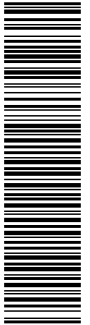
- (a) Full access to workforce development services for their disabled community.
- (b) Assistive technology to ensure access to services.
- (c) Staff training on assessment and service strategies for jobseekers and employers with disabilities.

- (d) Representation of the disability community in program planning and service delivery.

- (e) The development of regional employment networks to participate in the federal Ticket to Work program and the role of the local workforce development board and one-stop centers in the Ticket to Work program.

9363. If permitted by federal law, the California Workforce Development Board and local workforce development boards shall include persons with disabilities or their representatives, with a particular effort to include persons who are not employees of state or local government.

9364. The Legislature finds that over 1.5 million persons in California are deaf or significantly hard of hearing. Private and public employment agencies are not routinely adapted to meet the communication needs of persons who are deaf and hard of hearing and, therefore, the services they receive may be less than those provided to other persons. The Legislature also finds that employment opportunities for persons who are deaf and hard of hearing are increased when specialized counseling,



interpretive, job placement, and followup services supplement conventional employment services. In addition, the limited programs that provide these specialized employment services to persons who are deaf and hard of hearing have recently been subject to significant local funding reductions. Therefore, the Legislature finds that a more stable funding source, as provided by this chapter, is necessary to ensure the continuance of these programs.

9365. As used in this chapter, “contractor” means a public agency or a private nonprofit corporation.

9366. (a) The department shall contract with public agencies or private nonprofit corporations for a period not to exceed one year to provide employment services for persons who are deaf and hard of hearing. These employment services shall be provided onsite at the department’s offices that are selected pursuant to Section 9369.

(b) At the end of each contract year, the department may renegotiate the terms of each contract in accordance with allowable increases or decreases in the contractor’s costs and the contractor’s demonstrated ability to provide the specified services.

(c) If a contractor is a private nonprofit corporation, it shall submit a complete financial statement audited by a certified public accountant prior to a renewal of the contract.

9367. Employment services for persons who are deaf and hard of hearing shall include, but not be limited to, the following:

(a) Complete communication services for all preparatory, job placement, and followup activities. The communication services shall include interpreter services by a professional interpreter for persons who are deaf and hard of hearing possessing the comprehensive skills certification of the National Registry of Interpreters for the Deaf or the equivalent, telecommunications, and, when necessary, training in communication skills.

(b) Advocacy to assure that persons who are deaf and hard of hearing receive equal access to public and private employment services.

(c) Job development and job placement.

(d) Employment counseling, including peer counseling by persons who are deaf and hard of hearing.

(e) Followup counseling and problemsolving after placement.

9368. (a) The department, with the advice of persons knowledgeable about providing employment services to persons who are deaf and hard of hearing, shall establish the criteria for choosing contractors.

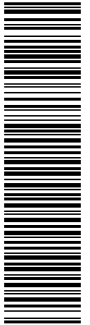
(b) The criteria shall include, but not be limited to, all of the following:

(1) The ability to provide services to a person who is deaf or hard of hearing in the person’s preferred mode of communication.

(2) The ability to secure community support, including written endorsements of local officials, employers, the workforce development board of the local workforce development area, and organizations of and for persons who are deaf and hard of hearing.

(3) The existence of funding from one or more public or private sources.

(c) Preference shall be given in the selection of a contractor to proposals that demonstrate all of the following:



(1) Participation of persons who are deaf and hard of hearing on the potential contractor's employment services staff, and in the case of a private nonprofit corporation, on the board of directors.

(2) A commitment to the development and maintenance of self-determination for persons who are deaf and hard of hearing.

9369. The department shall do all of the following:

(a) Determine the number and location of its offices within the state providing employment services to individuals who are deaf and hard of hearing and decide which offices shall be served by contractors given the resources available under this chapter. The department shall give priority to offices where contracts are necessary in order to prevent or minimize the disruption or the discontinuance of employment services to individuals who are deaf and hard of hearing which have been provided in conjunction with the department before July 1, 1984.

(b) Coordinate the provision of employment services for individuals who are deaf and hard of hearing with the State Department of Social Services and the Department of Rehabilitation so that employment services provided by this chapter supplement or provide alternatives to services provided or funded by the departments.

(c) Establish uniform accounting procedures and contracts for use with regard to this chapter.

(d) Promulgate requests for proposals and conduct bidders' conferences, and evaluate proposals according to the criteria established pursuant to Section 9368.

(e) Use the definitions of deafness and significantly hard of hearing that have been used or established by regulation by the State Department of Social Services.

(f) Conduct a management or fiscal audit of a contract whenever it is necessary for proper supervision of that contract.

(g) Annually consider incorporation of the services described in this chapter in the job service plan required by Section 8 of the federal Wagner-Peyser Act of 1933 (29 U.S.C. Sec. 49g).

(h) Assist contractors in maintaining all of the following information:

(1) The number of persons receiving services.

(2) A description of the services provided.

(3) The cost of the services provided.

(4) The number of persons placed in jobs.

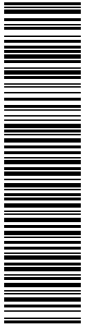
(5) The number of persons assisted by followup activities.

(6) The number and qualifications of staff providing the services.

9370. The Department of Better Jobs and Higher Wages shall not expend over 5 percent of the sum appropriated for this chapter for its administrative costs.

CHAPTER 10. WORKFORCE SERVICES

9371. The director shall be responsible for the administrative functions of the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.) and the federal Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.). The director shall direct staff to establish statewide policies in the administration of the federal Workforce Innovation and Opportunity Act, including providing all mandated individual, employer, and veterans services. The Department of Better Jobs and Higher Wages shall perform



administrative functions for both Title I and Title III of the federal Workforce Innovation and Opportunity Act, including, but not limited to, the following:

(a) Administering the state's allotment of federal funds for the purposes of this part, including annual allocations of the state's local workforce development areas, providing oversight on allocations and allowable activities, and producing federal and state-mandated reports.

(b) Setting statewide policy that directs the local workforce development areas in the administration of their responsibilities under the federal Workforce Innovation and Opportunity Act.

(c) Setting statewide policies and guidance to Department of Better Jobs and Higher Wages staff located in one-stop centers who provide employment services pursuant to Title I of the federal Workforce Innovation and Opportunity Act and the federal Wagner-Peyser Act.

(d) Convening and leading workgroups, as necessary, to align statewide policies with all mandated state- and local- level partners included in the federal Workforce Innovation and Opportunity Act.

(e) Providing veteran services in accordance with the federal Workforce Innovation and Opportunity Act and the federal Jobs for Veterans Act, including priority of service for veterans and veteran spouses at all one-stop centers throughout the state.

9372. The director shall make every effort to secure to the fullest extent possible federal funds, federal grants, and public grants available for participation under this part.

9373. The department, in consultation and coordination with veterans' organizations and veteran service providers, shall do all of the following:

(a) Research the needs of veterans throughout the state and develop a profile of veterans' employment and training needs.

(b) Develop a statewide plan for the equitable distribution of employment funds for veterans' employment services.

(c) Seek federal funding for purposes of subdivision (a).

9374. (a) It is the intent of the Legislature that state-supported Veterans Employment Training services meet the same performance standards as those required by the federal Workforce Innovation and Opportunity Act for services provided to veterans.

(b) Following any fiscal year in which state funds support the Veterans Employment Training services program, the department shall provide an annual report to the Legislature, on or before November 1, regarding the following performance measures:

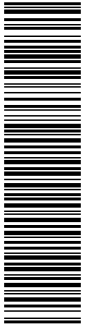
(1) The number of veterans receiving individualized, case-managed services.

(2) The number of veterans who receive individualized, case-managed services entering employment.

(3) The retention rate for veterans who enter employment.

(4) The average earnings for veterans entering employment.

9375. The department, in consultation and coordination with the film and movie industry, the Governor's Office of Business and Economic Development, and the California Film Commission shall do all of the following, contingent upon the appropriation of funds in the annual Budget Act for these specified purposes:



(a) Research and maintain data on the employment and output of the film industry, including full-time, part-time, contract, and short-duration or single-event employees.

(b) Examine the ethnic diversity and representation of minorities in the entertainment industry.

(c) Determine the overall direct and indirect economic impact of the film industry.

(d) Monitor film industry employment and activity in other states and countries that compete with California for film production.

(e) Review the effect that federal and state laws and local ordinances have on the filmed entertainment industry.

(f) Prepare and release biannually a report to the chairpersons of the appropriate Senate and Assembly policy committees that details the information required by this section.

9376. (a) The services provided by the existing labor market information system within the department shall include workforce and economic information that does all of the following:

(1) Provides data and information to the California Workforce Development Board created pursuant to Section 3111 of Title 29 of the United States Code, to enable the board to plan, operate, and evaluate investments in the state's workforce preparation system that will make the California economy more productive and competitive.

(2) Provides data and information for continuous strategic planning and the development of policies for the growth and competitiveness of the California economy.

(3) Identifies and combines information from various state data bases to produce useful, geographically based analysis and products, to the extent possible using existing resources.

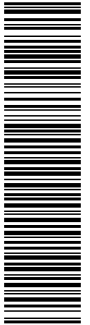
(4) Provides technical assistance related to accessing workforce and economic information to local governments, public-sector entities, research institutes, nonprofit organizations, and community groups that have various levels of expertise, to the extent possible using existing resources.

(b) The department shall coordinate with the State Department of Education, the Chancellor of the California Community Colleges, the State Department of Social Services, the California Postsecondary Education Commission, the Department of Finance, and the Franchise Tax Board in developing economic and workforce information. The department shall also solicit input in the operation of the program from public and private agencies and individuals that make use of the labor market information provided by the department.

9377. It is the intent of the Legislature to establish a statewide comprehensive labor market and occupational supply and demand information system to coordinate the labor market information needs, including those specified in the statutes cited below, for the following entities:

(1) The Board of Governors of the California Community Colleges pursuant to its responsibilities under Sections 70901, 70901.5, 71050, 78015, and 78016 of the Education Code.

(2) The State Department of Education, pursuant to its responsibilities under Sections 321, 323, 332, 341, 343, 421, 422, and 423 of the federal Carl D. Perkins Vocational Education Act (20 U.S.C. Sec. 2301 et seq.), and Sections 8031, 8081, 8500, 51228, 52300, 52301.5, 52302, 52302.3, 52302.5, 52304, 52309, 52381, 52519, 52520, 52910, 52911, and 52912 of the Education Code.



(3) The Employment Development Department, pursuant to its responsibilities under Article 1 (commencing with Section 1251) and Article 1.5 (commencing with Section 1266) of Chapter 5 of Part 1 of Division 1 of the Unemployment Insurance Code.

(4) The Employment Training Panel, pursuant to its responsibilities under Part 3 (commencing with Section 9400).

(5) The Department of Rehabilitation, pursuant to its responsibilities under Section 19152 of the Welfare and Institutions Code.

(6) The State Department of Social Services, pursuant to its responsibilities under Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code.

9378. (a) The department shall operate the State-Local Cooperative Labor Market Information Program as the primary component of the comprehensive labor market and occupational supply and demand information system described by Section 9377. The department shall consult with agencies listed in Section 9377 in the development and operation of this program.

(b) The objectives of this program shall be to produce, through extensive local participation and for distribution in effective formats to all local users, reliable occupational information, and to achieve cost-efficient production by avoiding duplication of efforts. The program shall be a primary source for local and statewide occupational information and shall be available in all labor market areas in the state.

(c) In producing this information, state and local agencies shall use state occupational forecasts and other indicators of occupational growth, combined with local employer surveys of recruitment practices, job qualifications, earnings and hours, advancement and outlook, to provide statistically valid occupational analyses for local job training and education programs.

(d) Local labor market information studies shall be conducted by the department or by a local entity and shall include the participation of local users of the information.

CHAPTER 11. SAN DIEGO MULTIUSE BIOTECHNOLOGY TRAINING CENTER

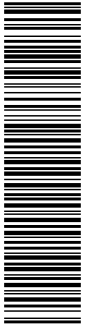
9379. For purposes of this chapter, “center” means the San Diego Multiuse Biotechnology Training Center.

9380. (a) The Legislature finds and declares the following:

(1) Biotechnology represents one of the most promising, innovation-based growth industries of this era. California is the nation’s leading state in biotechnology innovation and production.

(2) The San Diego region, as the world’s third largest biotechnology industry cluster, is host to world-class generators of science and technology in biotechnology and the related life sciences.

(3) Despite the specialized nature of emerging biotechnology firms, their recent growth has been extensive, and with that growth has come an ever-increasing demand for trained biotechnology workers at all levels. The industry’s workforce has grown at an annual rate of about 15 percent over the past five years, and California’s biotechnology workforce could easily grow to over 250,000 by the year 2015 from its current level of 100,000.



(4) Biotechnology employers need entry-level and advanced professionals that have a background in, and familiarity with, industrylike conditions for basic, applied, and translational research, development, and production. Based on recent studies, there is a clear and strong demand for applied bioscience training, but that demand is currently not being met by the region's universities and colleges.

(5) Companies nationally have overwhelmingly endorsed an "industry-focused" approach of providing internship training programs directly with the companies, combined with "company-like" training activities.

(6) Many firms have identified the difficulty in finding entry-level biotechnology workers at both the graduate and undergraduate levels as being directly related to the students' lack of applied industry training or exposure. Many firms have had to extensively train new employees to teach them how to function in a biotechnology business environment. Additionally, nearly three-fourths of firms surveyed in San Diego and nationally have indicated that they would benefit from being able to hire workers that have been prepared to enter the workforce through advanced biotechnology internships and training of a "specific" nature.

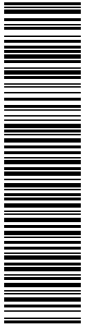
(7) San Diego and the surrounding area is served by many well-recognized academic institutions, from community colleges to universities offering doctorate programs, that supply educated workers to the biotechnology industry. At each academic level (AA, BS/BA, MS/MA, Ph.D.) curricula are in place, but most of the curricula are only marginally related to biotechnology workforce preparation in the applied sector. Applied education in the form of internships or instruction in practical science skills that would smooth the transition from academic institutions to the commercial biotechnology environment is even less prevalent than the biotechnology curricula offered at many schools, and is only now just emerging.

(8) Many of California's firms have found that many students graduate from four-year university programs with adequate conceptual understanding of biotechnology, but with relatively little practical laboratory experience, especially in the skills and protocols that are specific to commercial ventures as opposed to academic research.

(9) In 2001, the Legislature created the Pasadena Bioscience Center to address biotechnology workforce needs in the Los Angeles region. The Pasadena Bioscience Center provides applied workforce training and includes components for research and innovation, new business incubation, and bioinformatics. In cooperation with California State University, the City of Pasadena, Pasadena City College, the California Institute of Technology, Huntington Medical Research Institutes, and local biotechnology companies and organizations, the Pasadena Bioscience Center serves as a successful model of focused education and training, tailored to specific industry needs, and that may be utilized in other areas of the state.

(b) The Legislature further finds and declares that to address workforce needs in biotechnology, a multiuse biotechnology training center is being created in San Diego to serve as an anchor and catalyst for the growth of biotechnology enterprises in San Diego. The center will operate as a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code, and will serve as a catalyst for accelerating the growth and formation of new bioscience enterprises that will create value-added jobs and high economic multipliers in the San Diego region. For this purpose:

(1) The center will provide state-of-the-art, industry-oriented bioscience training and act as a strong contributor to the growth and retention of bioscience companies in



the region. As such, the center, as proposed, will help encourage biotechnology companies to remain in the region, thereby offsetting the pull of other, less expensive business environments that have been recruiting both startup and existing local area bioscience companies.

(2) The center will utilize the organization, programs, and work of the Pasadena Bioscience Center as successful models in the development of the San Diego Multiuse Biotechnology Training Center and its programs.

(3) The new center will serve as a world-class biotechnology workforce training facility offering practical, hands-on learning experiences, including short-term workshops and courses, and more extended training that will involve putting together multidisciplinary, multilevel teams of researchers, technicians, production specialists, apprentices, and students to work in a businesslike environment.

(4) The center will coordinate an extensive applied biotechnology internship program that will place students in local biotechnology companies for practical training and experience.

(5) The center will have the most relevant and advanced training possible, including an emphasis in bioinformatics, that will ensure that the center attains a position at the forefront of this rapidly expanding, cross-application specialization within biotechnology.

(6) The center will have facilities and a collection of instruments not generally available to the region's secondary schools, colleges, or universities.

(7) The center can serve as a capstone training site for regional institutions.

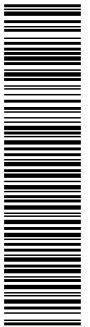
(8) The center will address the needs of existing as well as future industry employees.

(9) The center may appoint directors to a board of directors, and existing participants in the center may serve as the original board of directors. The center may appoint new directors, as necessary, in its discretion.

(10) The center will work with private universities, companies, associations, and various public agencies through memoranda of understanding under Section 9381, for the purpose of coordinating services and receiving assistance and support.

9381. The San Diego Community College District, California State University, University of California, Department of Better Jobs and Higher Wages, Employment Development Department, Employment Training Panel, California Health and Human Services Agency, Labor and Workforce Development Agency, California Workforce Development Board, and the San Diego Workforce Partnership may enter into memoranda of understanding with the center to utilize existing staff and resources to provide any of the following:

- (a) Funding, if moneys are appropriated.
- (b) Staff.
- (c) Program development.
- (d) Outreach.
- (e) Coordination.
- (f) Implementation.
- (g) Strategy.
- (h) Physical office, administration, and training space.



PART 3. EMPLOYMENT TRAINING PANEL

9400. There is in the Department of Better Jobs and Higher Wages the Employment Training Panel.

9401. The Legislature finds and declares the following:

(a) California's economy is being challenged by competition from other states and overseas. In order to meet this challenge, California's employers, workers, labor organizations, and government need to invest in a skilled and productive workforce, and in developing the skills of frontline workers. For purposes of this part, "frontline worker" means a worker who directly produces or delivers goods or services.

The purpose of this part is to establish a strategically designed employment training program to promote a healthy labor market in a growing, competitive economy that shall fund only projects that meet the following criteria:

(1) Foster creation of high-wage, high-skilled jobs, or foster retention of high-wage, high-skilled jobs in manufacturing and other industries that are threatened by out-of-state and global competition, including, but not limited to, those industries in which targeted training resources for California's small and medium-sized business suppliers will increase the state's competitiveness to secure federal, private sector, and other nonstate funds. In addition, provide for retraining contracts in companies that make a monetary or in-kind contribution to the funded training enhancements.

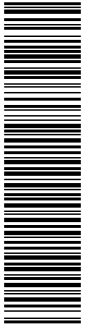
(2) Encourage industry-based investment in human resources development that promotes the competitiveness of California industry through productivity and product quality enhancements.

(3) Result in secure jobs for those who successfully complete training. All training shall be customized to the specific requirements of one or more employers or a discrete industry and shall include general skills, including soft skills, that trainees can use in the future.

(4) Supplement, rather than displace, funds available through existing programs conducted by employers and government-funded training programs, such as the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.), the Carl D. Perkins Vocational Education Act (Public Law 98-524), CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code), the McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), and the California Community Colleges Workforce and Economic Development Program, or apportionment funds allocated to the community colleges, regional occupational centers and programs, or other local educational agencies. In addition, it is further the intention of the Legislature that programs developed pursuant to this part shall not replace, parallel, supplant, compete with, or duplicate in any way already existing approved apprenticeship programs.

(b) The Employment Training Panel, in funding projects that meet the requirements of subdivision (a), shall give funding priority to those projects that best meet the following goals:

(1) Result in the growth of the California economy by stimulating exports from the state and the production of goods and services that would otherwise be imported from outside the state.



(2) Train new employees of firms locating or expanding in the state that provide high-skilled, high-wage jobs and are committed to an ongoing investment in the training of frontline workers.

(3) Develop workers with skills that prepare them for the challenges of a high-performance workplace of the future.

(4) Train workers who have been displaced, have received notification of impending layoff, or are subject to displacement, because of a plant closure, workforce reduction, changes in technology, or significantly increasing levels of international and out-of-state competition.

(5) Are jointly developed by business management and worker representatives.

(6) Develop career ladders for workers.

(7) Promote the retention and expansion of the state's manufacturing workforce.

(c) The program established through this chapter is to be coordinated with all existing employment training programs and economic development programs, including, but not limited to, programs such as the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.), the California Community Colleges, the regional occupational programs, vocational education programs, joint labor-management training programs, and related programs under the Department of Better Jobs and Higher Wages and the Governor's Office of Business and Economic Development, and the Business, Consumer Services, and Housing Agency.

9402. As used in this part:

(a) "Department" means the Department of Better Jobs and Higher Wages.

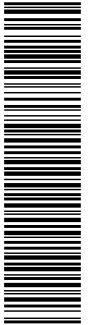
(b) (1) "Employer" or "eligible employer" means any employer subject to the following provisions of the Unemployment Insurance Code: Part 1 (commencing with Section 100) of Division 1, except any public entity, or any nonprofit organization which has elected an alternate method of financing its liability for unemployment insurance compensation benefits pursuant to Article 5 (commencing with Section 801), or Article 6 (commencing with Section 821) of Chapter 3.

(2) Any public entity or nonprofit organization that has elected an alternate method of financing its liability for unemployment insurance compensation benefits pursuant to Article 5 (commencing with Section 801) or Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1 of the Unemployment Insurance Code shall be deemed to be an employer only for purposes of placement of new hire trainees who received training as an incidental part of a training project designed to meet the needs of one or more private sector employers.

(c) "Eligible participant" means any person who, prior to beginning training or employment pursuant to this chapter, is any of the following:

(1) Unemployed and has established an unemployment insurance claim in this state, or has exhausted eligibility for unemployment insurance benefits from this state within the previous 24 months.

(2) Employed for a minimum of 90 days by the person's employer, or if employed for less than 90 days, met the conditions of paragraph (1) at the time of hire, had received a notice of layoff from the prior employer, or was employed by an employer for a period of not less than 90 days during the 180-day period prior to the employee's current employment at the start of training with an eligible employer, as provided in subdivision (b). The panel may waive this requirement for trainees employed by a business locating or expanding operations in the state, provided it is part of a state and



local economic development effort endeavoring to create or retain California jobs. The panel may also waive the requirement for up to 10 percent of the trainee population, if it determines a business meets standard funding requirements set out under subdivision (a) of Section 9401.

(d) "Executive director" means the executive director appointed pursuant to Section 9404.

(e) "Fund" means the Employment Training Fund created by Section 1610 of the Unemployment Insurance Code.

(f) "Job" means employment on a basis customarily considered full time for the occupation and industry. The employment shall have definite career potential and a substantial likelihood of providing long-term job security, with reportable California earnings during the employment retention period. Furthermore, the employment shall provide earnings, upon completion of the employment requirement specified in subdivision (f) of Section 9412, equal to 50 percent, in the case of new hire training, or 60 percent, in the case of retraining, of the state or regional average hourly wage. However, in no case shall the employment result in earnings of less than 45 percent of the state average hourly wage for new hire training and 55 percent of the state average hourly wage for retraining. The panel may consider the dollar value of health benefits that are voluntarily paid for by an employer when computing earnings to meet the minimum wage requirements.

(g) "New hire training" means employment training, including job-related literacy training, including soft skills, for persons who, at the start of training, are unemployed.

(h) "Panel" means the Employment Training Panel created by Section 9404.

(i) "Retraining" means employment-related skills and literacy training, including soft skills, for persons who are employed and who meet the definition of paragraph (2) of subdivision (c) prior to commencement of training and will continue to be employed by the same employer for at least 90 days following completion of training.

(j) "Soft skills" means behaviors and competencies to allow people to navigate professional environments, work well with colleagues, and perform up to standards for professional success, including, but not limited to, all of the following:

(1) Social skills, including, but not limited to, respectful personal interactions, context appropriate behavior, and conflict resolution.

(2) Competency in oral, written, nonverbal, and listening skills.

(3) Problem solving, critical thinking, and decisionmaking skills, including, but not limited to, identifying issues and evaluating options in order to reach a reasonable conclusion.

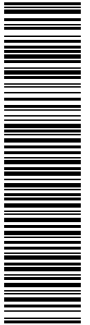
(4) Self-regulation of behavior and the exercise of delayed gratification or directing focus or attention, or both.

(k) "State average hourly wage" means the average weekly wage paid by employers to employees covered by unemployment insurance, as reported to the Employment Development Department for the four calendar quarters ending June 30 of the preceding calendar year, divided by 40 hours.

(l) "Trainee" means an eligible participant.

(m) "Training agency" means any private training entity or local educational agency.

9403. With respect to funding appropriated in the annual Budget Act to the Department of Better Jobs and Higher Wages for allocation by the Employment Training



Panel and identified for training of workers in regions suffering from high unemployment and low job creation or regions identified in a proclamation of a state of emergency issued by the Governor under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code), the panel, notwithstanding subdivision (f) of Section 9402, may waive the minimum wage requirements included in that subdivision provided that the postretention wage of each trainee who has completed training and the required training period exceeds their wage before and during training. This determination shall be made on a case-by-case basis to ensure that posttraining improvements in earnings are sufficient to warrant the investment of public funds.

9404. (a) The Employment Training Panel is established in the Department of Better Jobs and Higher Wages.

(b) The executive director shall be appointed by the Governor, and shall be well qualified for the position with experience in government. The executive director may perform all duties, exercise all powers, discharge all responsibilities, and administer and enforce all laws, rules, and regulations under the jurisdiction of the panel, with the approval of the panel. The executive director shall administer this part, with the approval of the panel, in the manner executive director deems necessary to conduct the work of the panel properly. With the approval of the panel, the executive director may create divisions and subdivisions as necessary, and change and abolish these divisions and subdivisions from time to time.

(c) All personnel of the panel shall be appointed, directed, and controlled only by the panel or its authorized deputies or agents to whom it may delegate its powers.

(d) The Governor shall appoint two assistant directors, to serve at the pleasure of the Governor. The assistant directors shall have the duties as assigned by the executive director, and shall be responsible to the executive director for the performance of their duties.

9405. (a) The panel shall consist of eight persons, seven of whom shall be appointed as provided in subdivision (b), and shall have experience and a demonstrated interest in business management and employment relations. The Director of the Governor's Office of Business and Economic Development, or their designee, shall also serve on the panel as an ex officio, voting member.

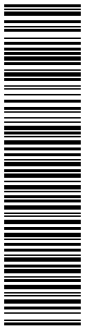
(b) (1) Two members of the panel shall be appointed by the Speaker of the Assembly. One of those members shall be a private sector labor representative and the other member shall be a business representative.

(2) Two members of the panel shall be appointed by the President pro Tempore of the Senate. One of those members shall be a private sector labor representative and the other member shall be a business representative.

(3) Three members of the panel shall be appointed by the Governor. One of those members shall be a private sector labor representative, one member shall be a business representative, and one member shall be a public member.

(4) Labor appointments shall be made from nominations from state labor federations. Business appointments shall be made from nominations from state business organizations and business trade associations.

(5) The Governor shall designate a member to chair the panel, and the person so designated shall serve as the chair of the panel at the pleasure of the Governor.



(c) The appointive members of the panel, except members appointed by the Speaker of the Assembly, shall serve for two-year terms. The appointive members of the panel appointed by the Speaker of the Assembly shall serve at the pleasure of the Speaker of the Assembly.

(d) Appointive members of the panel shall receive the necessary traveling and other expenses incurred by them in the performance of their official duties out of appropriations made for the support of the panel. In addition, each appointive member of the panel shall receive one hundred dollars (\$100) for each day attending meetings of the panel, and may receive one hundred dollars (\$100) for each day spent conducting other official business of the panel, but not exceeding a maximum of three hundred dollars (\$300) per month.

9406. (a) The department shall maintain a central office located in the City of Sacramento, with regional offices located throughout the state as necessary to perform administrative functions.

(b) The executive director will assign one person, with experience in meeting the needs of small businesses, to each of the regional offices for the purpose of developing training projects for small businesses and expediting the processing of training proposals from small businesses.

9407. The panel shall coordinate its programs with local and state workforce development boards and other partners of the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.). This coordination shall include, but not be limited to, the adoption of a plan, including regular sharing of data, for the coordination of training authorized pursuant to this part with programs administered under Chapter 8 (commencing with Section 9354) of Part 2.

9408. The panel shall do all of the following:

(a) Meet as necessary at locations throughout the state.

(b) Establish a three-year plan that shall be updated annually, based on the demand of employers for trained workers, changes in the state's economy and labor markets, and continuous reviews of the effectiveness of panel training contracts. The updated plan shall be submitted to the Governor and the Legislature not later than January 1 of each year. In carrying out this section, the panel shall review information in the following areas:

(1) Labor market information, including the state-local labor market information program in the Department of Better Jobs and Higher Wages and other relevant regional or statewide initiatives and collaboratives.

(2) Evaluations of the effectiveness of training as measured by increased security of employment for workers and benefits to the California economy.

(3) The demand for training by industry, type of training, and size of employer.

(4) Changes in skills necessary to perform jobs, including changes in basic literacy skills.

(5) Changes in the demographics of the labor force and the population entering the labor market.

(6) Proposed expenditures by other agencies of federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.) funds and other state and federal training and vocational education funds on eligible participants.

(c) The department shall maintain a system to continuously monitor economic and other data required under this plan. If this data changes significantly during the



life of the plan, the plan shall be amended by the panel. Each plan shall include all of the following:

(1) The panel's objectives with respect to the criteria and priorities specified in Section 9401 and the distribution of funds between new-hire training and retraining.

(2) The identification of specific industries, production and quality control techniques, and regions of the state where employment training funds would most benefit the state's economy and plans to encourage training in these areas, including specific standards and a system for expedited review of proposals that meet the standards.

(3) A system for expedited review of proposals that are substantially similar with respect to employer needs, training curriculum, duration of training, and costs of training, in order to encourage the development of proposals that meet the needs identified in paragraph (2).

(4) The panel's goals, operational objectives, and strategies to meet the needs of small businesses, including, but not limited to, those small businesses with 100 or fewer employees. These strategies proposed by the panel may include, but not be limited to, pilot demonstration projects designed to identify potential barriers that small businesses may experience in accessing panel programs and workforce training resources, including barriers that may exist within small businesses.

(5) The research objectives of the panel that contribute to the effectiveness of this chapter in benefiting the economy of the state as a whole.

(6) A priority list of skills or occupations that are in such short supply that employers are choosing to not locate or expand their businesses in the state or are importing labor in response to these skills shortages.

(7) A review of the panel's efforts to coordinate with the California Workforce Development Board and local workforce development boards to achieve an effective and coordinated approach in the delivery of the state's workforce resources.

(A) The panel will consider specific strategies to achieve this goal that include the development of initiatives to engage local workforce development boards in enhancing the utilization of panel training resources by companies in priority sectors, special populations, and in geographically underserved areas of the state.

(B) Various approaches to foster greater program integration between local workforce development boards and the panel will also be considered, which may include marketing agreements, expanded technical assistance, modification of program regulations and policy, and expanded use of multiple employer contracts.

(d) The department shall solicit, and the panel shall write, contracts on the basis of proposals made directly to it. Contracts for the purpose of providing employment training may be written with any of the following:

(1) An employer or group of employers.

(2) A training agency.

(3) A local workforce development board with the approval of the appropriate local elected officials in the local workforce development area.

(4) A grant recipient or administrative entity selected pursuant to the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.), with the approval of the local workforce development board and the appropriate local elected officials.



These contracts shall be in the form of fixed-fee performance contracts. Notwithstanding any provision of law to the contrary, contracts entered into pursuant to this chapter shall not be subject to competitive bidding procedures. Contracts for training may be written for a period not to exceed 24 months for the purpose of administration by the panel and the contracting employer or any group of employers acting jointly or any training agency for the purpose of providing employment training.

(e) Fund training projects that best meet the priorities identified annually. In doing so, the panel shall seek to facilitate the employment of the maximum number of eligible participants.

(f) Establish minimum standards for the consideration of proposals, which shall include, but not be limited to, evidence of labor market demand, the number of jobs available, the skill requirements for the identified jobs, the projected cost per person trained, hired, and retained in employment, the wages paid successful trainees upon placement, and the curriculum for the training. No proposal shall be considered or approved that proposes training for employment covered by a collective bargaining agreement unless the signatory labor organization agrees in writing.

(g) The department shall ensure the provision of adequate fiscal and accounting controls for, monitoring and auditing of, and other appropriate technical and administrative assistance to, projects funded by this chapter.

(h) Provide for evaluation of projects funded by this part. The evaluations shall assess the effectiveness of training previously funded by the panel to improve job security and stability for workers, and benefit participating employers and the state's economy, and shall compare the wages of trainees in the 12-month period prior to training as well as the 12-month period subsequent to completion of training, as reflected in the Employment Development Department's unemployment insurance tax records. Individual project evaluations shall contain a summary description of the project, the number of persons entering training, the number of persons completing training, the number of persons employed at the end of the project, the number of persons still employed three months after the end of the project, the wages paid, the total costs of the project, and the total reimbursement received from the Employment Training Fund.

(i) Report annually to the Legislature, by November 30, on projects operating during the previous state fiscal year. These annual reports shall provide separate summaries of all of the following:

(1) Projects completed during the year, including their individual and aggregate performance and cost.

(2) Projects not completed during the year, briefly describing each project and identifying approved contract amounts by contract and for this category as a whole, and identifying any projects in which funds are expected to be disencumbered.

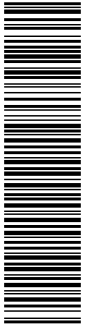
(3) Projects terminated prior to completion and the reasons for the termination.

(4) A description of the amount, type, and effectiveness of literacy training funded by the panel.

(5) Results of complete project evaluations.

(6) A description of pilot projects, and the strategies that were identified through these projects, to increase access by small businesses to panel training contracts.

(7) A listing of training projects that were funded in high unemployment areas and a detailed description of the policies and procedures that were used to designate geographic regions and municipalities as high unemployment areas.



In addition, based upon its experience in administering job training projects, the panel shall include in these reports policy recommendations concerning the impact of job training and the panel's program on economic development, labor-management relations, employment security, and other related issues.

(j) The department shall conduct ongoing reviews of panel policies with the goal of developing an improved process for developing, funding, and implementing panel contracts as described in this chapter.

(k) Expedite the processing of contracts for firms considering locating or expanding businesses in the state, in accordance with the priorities for employment training programs set forth in subdivision (b) of Section 9401.

(l) Coordinate and consult regularly with business groups and labor organizations, the California Workforce Development Board, the State Department of Education, the office of the Chancellor of the California Community Colleges, and the Employment Development Department.

(m) The department shall adopt by regulation procedures for the conduct of panel business, including the scheduling and conduct of meetings, the review of proposals, the disclosure of contacts between panel members and parties at interest concerning particular proposals, contracts or cases before the panel or its staff, the awarding of contracts, the administration of contracts, and the payment of amounts due to contractors. All decisions by the panel shall be made by resolution of the panel and any adverse decision shall include a statement of the reason for the decision.

(n) The department shall adopt regulations and procedures providing reasonable confidentiality for the proprietary information of employers seeking training funds from the panel if the public disclosure of that information would result in an unfair competitive disadvantage to the employer supplying the information. The panel may not withhold information from the public regarding its operations, procedures, and decisions that would otherwise be subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

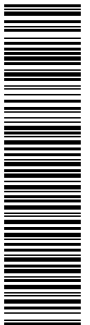
(o) Review and comment on the budget and performance of any program, project, or activity funded by the panel utilizing funds collected pursuant to Section 976.6 of the Unemployment Insurance Code.

9409. (a) The panel may allocate money in the fund for any of the following purposes:

(1) Reimbursement of reasonable training costs, and administrative costs incurred by contractors. In making a determination of costs to be reimbursed under this paragraph, the panel may allocate funds in accordance with any of the following methods:

(A) For purposes of providing simplified fixed-fee performance contracts, a flat rate per hour for categories of training that are substantially similar with respect to content, methodology, and duration, as determined by the panel, not to exceed the reasonable and normal costs for the training. The panel shall periodically adjust the standardized rates established pursuant to this paragraph to reflect changes in training costs.

(B) A complete review of the proposal and its costs, including a budget listing the planned costs of training, including personnel, fringe benefits, equipment, supplies, fees for consulting or administrative services, and other costs attributable to training;



the services provided by subcontractors; the length and complexity of the training; the method of training; the wages and occupations following training; whether the trainees are new hires or retrainees; and the cost of similar training that the panel has funded previously. The cost of administration shall not exceed 15 percent of the training costs under this paragraph, except that for new hire training the panel may fund administrative costs of up to 25 percent of the training cost.

(C) The panel may modify the specific requirements of this paragraph as they apply to employers or contractors proposing projects that involve training for a significant number of small employers in the same project.

(D) A contractor is prohibited from utilizing any funds earned or paid as advances or progress payments for the purpose of making payments to any other individual or entity, either directly or indirectly, for costs incurred as a finder's fee or for other compensation related to the predevelopment or development phase of a training program, which is based on a percentage of the preliminary or final panel award to the contractor for the training project.

(2) (A) Costs of program administration incurred under this part. These costs shall be reviewed annually by the Department of Finance and the Legislature and determined through the normal budgetary process.

(B) The panel's administrative costs, exclusive of the cost of administering Section 976.6 of the Unemployment Insurance Code, shall not exceed 15 percent of the total amount annually appropriated for expenditure by the panel. Expenditures for marketing, research, and evaluations provided under the contract to the panel that otherwise would have been provided directly by the panel shall not be included in this limitation.

(3) Service related to the purposes of this part provided by the Small Business Development Centers.

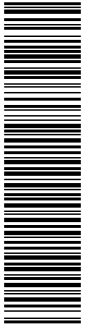
(b) For all training contracts, the panel shall establish requirements for in-kind contributions by either the contractor or the employer that reflect a substantial commitment on the part of the contractor or the employer to the value of the training. In developing these requirements, the panel shall take into account the ability of the contractor or the employer, because of size or financial condition, to make any contribution, and the ability of the Employment Training Fund to meet the demand for training authorized by this chapter. In developing policies regarding in-kind contributions, the panel shall hold public hearings.

9410. (a) The panel shall accept or reject a completed application within 60 days of the receipt by the executive director.

(b) The panel shall develop expedited procedures for reviewing proposals submitted by the state agencies that are participants in a special interagency agreement with the panel for purposes of this part.

9411. Nothing in this part shall be construed to preclude any employer from contracting with any public or private training entity for services, subject to the approval of the panel.

9412. (a) Contracts shall only be made for training in job-related vocational skills that are necessary for participants to attain a new job or retain an existing job with definite career potential and long-term job security. The contracts for vocational skills training may include ancillary training for job-related basic and literacy skills



training, including soft skills, if the panel finds that the training is necessary to achieve the objectives of the vocational training.

(b) The panel shall not approve any training proposal that facilitates the change in ownership of a business leading to the likelihood that an existing collective bargaining agreement would be declared void.

(c) To encourage a broad and equitable distribution of funds, the panel may require an employer who has previously received funds pursuant to this part for retraining of workers at a facility to contribute proportionately more to the cost of training in subsequent panel contracts for training of workers at the same facility.

(d) The panel may delegate to the executive director the authority to approve training contracts of up to one hundred thousand dollars (\$100,000), provided the contracts meet the requirements of this part and the policies established by the panel, and provided that the panel regularly reviews the actions taken by the executive director pursuant to this part.

(e) Payments shall be made in accordance with a performance contract under which partial payments may be made during training, a partial payment may be made on placement or retention of each trainee, and not less than 25 percent of the negotiated fee is withheld until the trainee has been retained in employment for 90 days after the end of training with a single employer, except for those occupations in which it is not customary for a worker to be employed 90 consecutive days with a single employer. In these latter cases, the panel may substitute a period similar to the probationary period customary to the occupation. The probationary period shall not be less than 500 work hours and shall be completed within 272 days of the completion of the training. In no case shall any payment be considered to have been earned until the trainee has been retained in employment for 90 days or the equivalent probationary period for an occupation in which it is not customary for a worker to be employed 90 consecutive days with a single employer.

(f) Contracts for new hire training shall require the contractor to provide the placement services necessary to ensure the trainees are placed in jobs for which they have been trained.

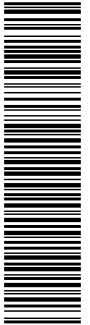
9413. Contracts shall be made with training agencies only if the training agency can demonstrate all of the following:

(a) The training agency has a satisfactory record of past performance in the placement and retention of former trainees and employer satisfaction with former trainees.

(b) The training agency can demonstrate labor market demand for the proposed training. Proof shall include, but not be limited to, the documented need of specific employers for the workers proposed to be trained in the skills proposed by the training agency.

(c) The training agency can demonstrate that the training prepares trainees in a manner satisfactory to employers.

(d) The training agency can demonstrate that its accounting systems include controls adequate to check the accuracy and reliability of accounting data, promote operating efficiency, and assure compliance with government requirements and generally accepted accounting principles. The panel shall have full access at any time to these accounting systems to assure compliance with these standards.



9414. A trainee or employee participating in a training program pursuant to this part shall be considered to be in a training program having the approval of the Director of Employment Development under Article 1.5 (commencing with Section 1266) of Chapter 5 of Part 1 of Division 1 of the Unemployment Insurance Code.

9415. The panel shall prepare a budget covering necessary administrative costs of the panel. The budget shall not be subject to change by the director except as agreed to by the panel. In the event that agreement cannot be reached, the director shall attempt to reach a mutual agreement. In the event a mutual agreement cannot be reached, the final decision shall rest with the Secretary of the Labor and Workforce Development Agency.

9416. The Department of Better Jobs and Higher Wages shall cooperate with the panel by offering necessary technical assistance, which may include, but is not limited to, labor market information, projections of occupational demand, and information and advice on alternative training strategies.

9417. To assist the panel and the Legislature in assessing the impact of this part over an extended period of time, the Employment Development Department shall develop and maintain a continuous employment, wage, and benefit history of unemployment insurance participants.

9418. (a) The panel may allocate up to 15 percent of the annually available training funds for the purpose of funding special employment training projects that improve the skills and employment security of frontline workers, as defined in subdivision (a) of Section 9401. Notwithstanding any other provision of this part, participants in these projects are not required to meet the eligibility criteria set forth in paragraph (1) of subdivision (a) of Section 9401 or subdivision (c) of Section 9402.

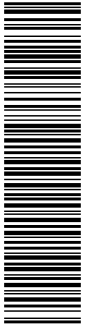
(b) The panel shall, on an annual basis or as needed in response to a proclamation of a state of emergency issued by the Governor under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code), identify industries and occupations that shall be priorities for funding under this section. Training shall be targeted, but not limited, to frontline workers who earn at least the state average hourly wage.

(c) The panel may waive the minimum wage provisions pursuant to subdivision (f) of Section 9402 for projects in regions of the state where the unemployment rate is significantly higher than the state average or regions identified in a proclamation of a state of emergency issued by the Governor under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code), and also may waive the employment retention provisions specified in subdivision (f) of Section 9412 and instead require that the trainee has been retained in employment for a minimum of 90 days out of 120 consecutive days after the end of training with no more than three employers.

(d) (1) The panel may allocate funds pursuant to subdivision (a) to increase the productivity and extended employment retention of workers in the state's major seasonal industries.

(2) In funding special employment training projects for this purpose, the panel may do all of the following:

(A) When the amount of the postretention wages of each trainee who has completed training exceeds the amount of wages that the trainee earned before and



during training, waive the minimum wage requirements set forth in subdivision (f) of Section 9402.

(B) Waive the employment retention requirements set forth in subdivision (f) of Section 9412 and instead require that the trainee be retained in employment for not less than 500 hours within the 12-month period following the completion of the training.

(C) When the panel finds that the training is necessary to achieve the objectives of vocational training, waive the limitation on job-related basic and literacy skills training, including soft skills, set forth in subdivision (a) of Section 9412.

(3) For purposes of this section, "major seasonal industries" means eligible employers who satisfy all of the following requirements:

(A) Have a workforce comprised of at least 50 percent of workers whose employment period is necessarily cyclical, including, but not limited to, businesses directly involved in the harvesting, packing, or processing of goods or products.

(B) Have retained at least 50 percent of the same seasonal employees for at least one season of not less than 500 hours for the preceding 12-month period.

(C) Pay wages and provide benefits that exceed industry averages.

(e) The panel shall adopt minimum standards for consideration of proposals to be funded pursuant to this section.

(f) The panel may select contracts funded under this section based on competitive bidding.

(g) It is the intent of the Legislature in providing the authority for these projects that the panel allocate these funds in a manner consistent with the objectives of this part as provided in Section 9401.

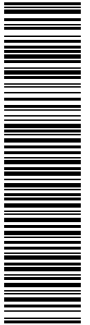
9419. (a) The panel shall develop and publish guidelines for the purpose of supporting and implementing one or more alternative fund programs to reimburse the cost of training consistent with the purposes of this part, using funds from a source other than the employment training tax. The alternative funds may be from any federal, state, or local governmental entity, as appropriated in statute or other means. The guidelines shall include adequate fiscal and accounting controls, as prescribed in subdivision (g) of Section 9408.

(b) The panel may adopt any regulations necessary to implement this section, but any regulations so adopted are exempt from the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) The department may solicit proposals and the panel may enter into contracts or other agreements to secure funding for the purposes of this section, but those proposals, contracts, and agreements shall be exempt from any competitive bidding requirements otherwise prescribed in statute.

9420. The panel shall allocate funds available in the annual Budget Act for training programs designed for individuals who are eligible to receive benefits under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code or who have received CalWORKs benefits within one year of the commencement of the training program.

(a) It is the intent of the Legislature in providing authority for these training programs that the panel allocate these funds in a manner consistent with the objectives of this part as provided in Section 9401.



(b) Notwithstanding any other provisions of this chapter, the eligibility criteria for individuals trained under this section shall be employment with an eligible employer as defined in subdivision (a) of Section 9402 and:

- (1) Receipt of CalWORKs benefits at the time training begins, or
- (2) Receipt of CalWORKs benefits within one year of the time training commenced.

(c) For purposes of this section, the panel may waive, if necessary, any of the following:

(1) The employer eligibility criteria outlined in paragraph (1) of subdivision (a) of Section 9401.

(2) The minimum training wage requirements pursuant to subdivision (g) of Section 9402.

(3) The employment retention provisions specified in subdivision (f) of Section 9412 and instead require that the trainee has been retained in employment for a minimum of 90 days out of 120 consecutive days after the end of training with no more than three employers.

(d) Notwithstanding any other provisions of this chapter, the panel shall consider proposals that use innovative strategies and training options to enable current and prior CalWORKs recipients and eligibles to retain employment, including, but not limited to, projects that provide basic skills training.

(e) The panel shall adopt administrative procedures for approving and administering contracts under this section to expedite contracts, minimize barriers to completion of training, and facilitate the training of single trainees and small groups of trainees from one worksite.

9421. (a) (1) The panel may fund licensed nurse training programs to train individuals who are currently working as nurse assistants or caregivers in a health facility, as defined in Section 1250 of the Health and Safety Code.

(2) It is the intent of the Legislature that the panel allocate these funds in a manner consistent with the objectives of this part as provided in Section 9401.

(b) Notwithstanding any other provision of this part, the panel shall waive the minimum wage provisions, pursuant to subdivision (f) of Section 9402, if all of the following conditions are met:

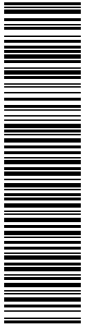
(1) The employee is enrolled in an approved licensed nurse training program that consists of not less than 1,000 hours of training.

(2) The employer pays the employee not less than 120 percent of the state minimum wage for not less than the first 20 hours of work per week during each week the employee is enrolled in the training program.

(3) Each program results in full-time employment customary for the occupation for which the individuals are being trained.

(c) Notwithstanding any other provisions of this part, the panel shall waive any limitation on the hourly length of training programs to allow approval and funding for up to 750 hours of a licensed nurse training program; provided, however, that those funds be used to pay for up to 750 training hours that remain in the licensed nurse training program after the employee has completed the first 800 hours of that program.

(d) Notwithstanding any other provision of this part, employers that participate in the nurse training programs funded pursuant to this section, are not required to meet the eligibility criteria set forth in paragraph (1) of subdivision (a) of Section 9401.



9422. The funding of individual project grants by the panel may take the form of either direct grants to the employer or training agency, or credits to the employer's liability for unemployment insurance contributions or reimbursements. Credits to the employer's liability for unemployment insurance contributions or reimbursements shall be drawn from the Employment Training Fund.

9423. Funds in the Employment Training Fund created by Section 1610 of the Unemployment Insurance Code shall be appropriated annually in the Budget Act by the Legislature for allocation by the panel for the purposes of this part, except those funds determined by the Legislature to be necessary to administer Section 976.6 and Article 6 (commencing with Section 1610) of Chapter 6 of Part 1 of Division 1 of the Unemployment Insurance Code shall be appropriated to the Employment Development Department.

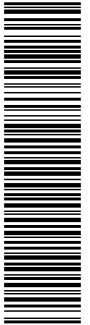
PART 4. DIVISION OF APPRENTICESHIP STANDARDS

9500. There is in the Department of Better Jobs and Higher Wages the Division of Apprenticeship Standards, which in this part shall be referred to as "the division."

CHAPTER 1. SHELLEY-MALONEY APPRENTICE LABOR STANDARDS ACT OF 1939

9501. This chapter shall be known, and may be cited, as the Shelley-Maloney Apprentice Labor Standards Act of 1939, as amended.

9502. There is in the Department of Better Jobs and Higher Wages the California Apprenticeship Council, which shall be appointed by the Governor, composed of six representatives each from employers or employer organizations and employee organizations, that sponsor apprenticeship programs under Section 9503, respectively, geographically selected, and of two representatives of the general public. The Director of Better Jobs and Higher Wages, or their permanent and best-qualified designee, the Superintendent of Public Instruction, or their permanent and best-qualified designee, the Chancellor of the California Community Colleges, or their permanent and best-qualified designee, and the Chairperson of the California Firefighter Joint Apprenticeship Committee (Cal-JAC), or their permanent and best-qualified designee, shall also be members of the California Apprenticeship Council. The chairperson shall be elected by vote of the California Apprenticeship Council. Beginning with appointments in 1985, three representatives each of employers and employees, and one public representative shall serve until January 15, 1989. In 1987, three representatives each of the employers and employees, and one public representative shall serve until January 15, 1991. Any member whose term expires on January 15, 1986, shall continue to serve until January 15, 1987. Thereafter each member shall serve for a term of four years. Any member appointed to fill a vacancy occurring prior to the expiration of the term of their predecessor shall be appointed for the remainder of that term. Each member of the council shall receive the sum of one hundred dollars (\$100) for each day of actual attendance at meetings of the council, for each day of actual attendance at hearings by the council or a committee thereof pursuant to Section 9533, and for each day of actual attendance at meetings of other committees established by the council and approved by the Director of Better Jobs and Higher Wages, together with their actual and necessary traveling expenses incurred in connection therewith.



9503. (a) The California Apprenticeship Council shall meet quarterly at a designated date and special meetings may be held at the call of the chair. The council shall issue rules and regulations which establish standards for minimum wages, maximum hours, and working conditions for apprentice agreements in the building and construction trades and for firefighter occupations, hereinafter in this chapter referred to as apprenticeship standards, which in no case shall be lower than those prescribed by this chapter; and shall issue rules and regulations governing equal opportunities in apprenticeship, affirmative action programs which include women and minorities in apprenticeship, and other on-the-job training, and criteria for selection procedures with a view particularly toward eliminating criteria not relevant to qualification for training employment or more stringent than is reasonably necessary.

(b) For purposes of this section, "firefighter occupations" means those occupations submitted by the California Firefighter Joint Apprenticeship Committee and approved by the executive director.

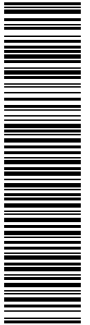
(c) Notwithstanding the standards established pursuant to subdivision (a), if the minimum wages, maximum hours, and working conditions for apprentices in the California Firefighter Joint Apprenticeship Program are in conflict with the provisions of a collective bargaining agreement with a public employer, the provisions of the collective bargaining agreement shall prevail.

9504. There is also in the Department of Better Jobs and Higher Wages the Interagency Advisory Committee on Apprenticeship. The membership and duties of this committee shall be as follows:

(a) The following officials or their designees shall serve as ex officio members of this committee:

- (1) The Secretary of Labor and Workforce Development.
- (2) The executive director of the California Workforce Development Board.
- (3) The Director of Better Jobs and Higher Wages.
- (4) The executive director of the Employment Training Panel.
- (5) The Superintendent of Public Instruction.
- (6) The Chancellor of the California Community Colleges.
- (7) The Director of Rehabilitation.
- (8) The executive director of the State Council on Developmental Disabilities.

(b) The membership of this committee shall also include six persons appointed by the Secretary of Labor and Workforce Development who are familiar with apprenticeable occupations not within the jurisdiction of the council established pursuant to Section 9502. Two persons shall be representatives of employers or employer organizations, two persons shall be representatives of employee organizations, and two persons shall be public representatives who are neither employers nor affiliated with any employer or employee organization. Upon the operative date of this section, the secretary shall appoint one representative of each group appointed to two-year terms and one representative of each group to four-year terms. Thereafter, members appointed by the secretary pursuant to this subdivision shall serve for a term of four years, and any member appointed to fill a vacancy occurring before the expiration of the term of their predecessor shall be appointed for the remainder of that term. Members appointed by the secretary pursuant to this subdivision shall receive the sum of one hundred dollars (\$100) for each day of actual attendance at meetings of the committee and for each day of actual attendance at hearings by the committee or a subcommittee



thereof, together with actual and necessary traveling expenses incurred in connection therewith.

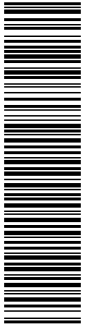
(c) The Secretary of Labor and Workforce Development shall designate one of the members as the committee's chair. The committee shall meet quarterly at a designated date, and special meetings may be held at the call of the chair. The committee shall provide advice and guidance to the Administrator of Apprenticeship and executive director on apprenticeship programs, standards, and agreements that are not within the jurisdiction of the council established pursuant to Section 9502, and on the development and administration of standards governing preapprenticeship, certification, and on-the-job training and retraining programs outside the building and construction trades and firefighters.

(d) The committee may create subcommittees as needed to address specific industry sectors or projects and shall create a subcommittee to address apprenticeship for the disabled community.

9505. The Director of Better Jobs and Higher Wages is ex officio the Administrator of Apprenticeship and is authorized to appoint assistants as necessary to effectuate the purposes of this part.

9506. (a) The Executive Director of Apprenticeship Standards, or the executive director's duly authorized representative, shall administer the provisions of this chapter; act as secretary of the California Apprenticeship Council and the Interagency Advisory Committee on Apprenticeship; shall foster, promote, and develop the welfare of the apprentice and industry, improve the working conditions of apprentices, and advance their opportunities for profitable employment; shall ensure that selection procedures are impartially administered to all applicants for apprenticeship; shall gather and promptly disseminate information through apprenticeship and training information centers; shall maintain on public file in all high schools and field offices of the Department of Better Jobs and Higher Wages the name and location of the local area apprenticeship committees, the filing date, and minimum requirements for application of all registered apprenticeship programs; shall cooperate in the development of apprenticeship programs and may advise with them on problems affecting apprenticeship standards; shall audit all selection and disciplinary proceedings of apprentices or prospective apprentices; may enter joint agreements with the Department of Better Jobs and Higher wages outreach education and employment programs, and educational institutions on the operation of apprenticeship information centers, including positive efforts to achieve information on equal opportunity and affirmative action programs for women and minorities; and shall supervise and recommend apprenticeship agreements as to these standards and perform such other duties associated therewith as the California Apprenticeship Council may recommend. The executive director shall coordinate the exchange, by the California Apprenticeship Council, the Interagency Advisory Committee on Apprenticeship, apprenticeship program sponsors, the Fair Employment and Housing Council, community organizations, and other interested persons, of information on available minorities and women who may serve as apprentices.

(b) The executive director, in consultation with the Interagency Advisory Committee on Apprenticeship, shall issue rules and regulations that establish standards for minimum wages, maximum hours, and working conditions for apprentice agreements in all industries other than the building and construction trades and firefighter



occupations, as well as standards governing preapprenticeship, certification, and other on-the-job training and retraining programs and agreements that are certified pursuant to this chapter. Pending the issuance of new rules and regulations pursuant to this subdivision, the following regulations in Title 8 of the California Code of Regulations shall apply to programs in all industries other than the building and construction trades and firefighting: Sections 200 to 202, inclusive, Sections 205 to 224, inclusive, Sections 235 to 263, inclusive, and Sections 281 to 282, inclusive, with the exception of any filing requirements, appeal rights, or other procedures pertaining to the California Apprenticeship Council.

(c) Any determination or decision made by the California Apprenticeship Council before the operative date of the act adding subdivision (b) to this section shall be deemed a decision or determination of the executive director with respect to any program, trade, or standard that does not remain under the jurisdiction of the California Apprenticeship Council.

(d) Any previous approvals of programs, curricula, and graduation certificates shall not be impacted, revoked, or changed solely due to the creation of the Department of Better Jobs and Higher Wages and shall remain in effect.

9507. (a) The department shall evaluate apprenticeship and preapprenticeship programs to ensure that the program evaluated is complying with its standards, that all on-the-job training is supervised by journeymen, that all classroom instruction required by the apprenticeship or preapprenticeship standards is being provided, that all work processes in the standards are being covered, and that graduates have completed the program's requirements. The department shall examine each apprenticeship program to determine whether apprentices are graduating from or completing the program on schedule or dropping out and to determine whether graduates of the apprenticeship program have obtained employment as journeymen. During the evaluation, the department shall attempt to contact a statistically valid sample of apprentices who have dropped out of the program prior to completion to determine their reasons for leaving the program. Every apprenticeship program sponsor shall have a duty to cooperate with the department in conducting an evaluation.

(b) Evaluation reports for building and construction trade and firefighting programs shall be presented to the California Apprenticeship Council and reports concerning any other program shall be presented to the Interagency Advisory Committee on Apprenticeship. The department shall make reports public, except that the department shall not make public information that would infringe on the privacy of individual apprentices. The department shall recommend remedial action to correct deficiencies recognized in the audit report, and the failure to follow department recommendations or to correct deficiencies within a reasonable period of time shall be grounds for withdrawing state approval of a program. Nothing shall prevent the department from conducting more frequent or random evaluations of programs where deficiencies have been identified.

(c) The department shall give priority in conducting evaluations to programs that have been identified as having deficiencies. The department may conduct simplified evaluations for programs with fewer than five registered participants.

(d) One year following the creation of a new program or substantial expansion of an existing program, the department shall evaluate the program for quality and conformity with the requirements of this section.



(e) If the department finds evidence that information provided to it by a building and construction trades or firefighter apprenticeship program has been purposefully misstated, the department shall immediately investigate and determine whether an evaluation of the program is necessary. The department shall report its investigatory findings to the California Apprenticeship Council and make them available to the public, except that the department shall not make public information that would infringe upon the privacy of individual apprentices.

(f) If the department determines that a building and construction trades or firefighter apprenticeship program has been the subject of two or more meritorious complaints that concern the recruitment, training, or education of apprentices within a five-year period, the department shall schedule the program for an evaluation within three months of the determination.

(g) If the department determines that a building and construction trades apprenticeship program that has had at least two graduating classes has an annual apprentice completion rate below 50 percent of the average completion rate for the applicable trade, the department shall schedule the program for an evaluation within three months of the determination.

9508. It is the intent of the Legislature that the Director of Better Jobs and Higher Wages will encourage greater participation for women, ethnic minorities, and the disabled in programs administered pursuant to this chapter.

9509. The Executive Director of Apprenticeship Standards, the California Apprenticeship Council, and the Interagency Advisory Committee on Apprenticeship shall annually report separately through the Director of Better Jobs and Higher Wages to the Legislature and the public on their activities. The report shall contain information including, but not limited to, analyses of the following:

(a) (1) The number of individuals, including numbers of women and minorities, registered in apprenticeship, preapprenticeship, and other programs administered pursuant to this chapter in the state for the current year and in each of the previous five years.

(2) For construction trade and firefighter apprenticeship programs, the report shall include demographic data detailing the racial, ethnic, and gender makeup of those participants for the annual reporting period.

(b) The number and percentage of participants, including numbers and percentages of minorities and women, registered in each program having five or more participants, and the percentage of those participants who have completed their programs successfully in the current year and in each of the previous five years.

(c) Remedial actions taken by the division to assist those programs having difficulty in achieving affirmative action goals or having very low completion rates.

(d) The number of disputed issues with respect to individual apprenticeship or other agreements submitted to the Administrator of Apprenticeship for determination and the number of those issues resolved by the administrator or the council on appeal.

(e) The number of apprenticeship and other program applications received by the executive director, the number approved, the number denied and the reason for those denials, the number being reviewed, and deficiencies, if any, with respect to those program applications being reviewed.



(f) The number of apprenticeship programs, approved by the executive director, that are disapproved by the California Apprenticeship Council, and the reasons for those disapprovals.

(g) The number of apprenticeship programs receiving reimbursement for related and supplemental instruction pursuant to Section 8152 or 79149.3 of the Education Code including the amounts reimbursed to each program, as reported to the Division of Apprenticeship Standards by the California Community Colleges Chancellor's Office.

(h) The number of apprenticeship programs receiving reimbursement as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 of the Education Code or its successor section, as described in Section 79149.1 of the Education Code including the amounts reimbursed to each program, as reported to the Division of Apprenticeship Standards by the California Community Colleges Chancellor's Office.

(i) Any apprenticeship standards or regulations that were proposed or adopted in the previous year.

9510. Every person who willfully discriminates in any recruitment or apprenticeship program on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code, is guilty of a misdemeanor punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment for not more than six months, or both.

9511. (a) The Division of Apprenticeship Standards may cooperate in the provision of, or provide, services to the workforce development partners, and to service delivery areas, as designated pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128) and Part 2 (commencing with Section 9300). The Division of Apprenticeship Standards may enter into any agreements as may be necessary for this purpose.

(b) The Division of Apprenticeship Standards shall exert maximum effort to persuade sponsors of its registered, nonfederally funded, voluntary apprenticeship and on-the-job training programs to accept to the maximum possible extent the eligible persons as described in the federal Workforce Innovation and Opportunity Act (Public Law 113-128) and Part 2 (commencing with Section 9300).

9512. (a) No building and construction trades apprenticeship program shall discriminate against any apprentice or applicant for apprenticeship on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age for individuals over forty years of age, military or veteran status, or sexual orientation with regard to all of the following:

- (1) Recruitment, outreach, and selection procedures.
- (2) Hiring or placement, upgrading, periodic advancement, promotion, demotion, transfer, layoff, termination, right of return from layoff, and rehiring.
- (3) Rotation among work processes.
- (4) Imposition of penalties or other disciplinary action.
- (5) Rates of pay or any other form of compensation and changes in compensation.
- (6) Conditions of work.
- (7) Hours of work and hours of training provided.



- (8) Job assignments.
- (9) Leaves of absence, sick leave, or any other leave.
- (10) Any other benefit, term, condition, or privilege associated with apprenticeship.

(b) In implementing this section, the division and the Administrator of Apprenticeship shall look to the legal standards, defenses, and exceptions applied under the Fair Employment and Housing Act, its implementing regulations, and any interpretive guidance issued by the Department of Fair Employment and Housing in determining whether a building and construction trades apprenticeship program has engaged in a practice prohibited by subdivision (a).

(c) Each building and construction trades apprenticeship program shall take affirmative steps to provide equal opportunity in apprenticeship, including:

(1) The apprenticeship program shall designate one or more individuals with appropriate authority under the program, such as an apprenticeship coordinator, to be responsible and accountable for overseeing the program's commitment to equal opportunity in apprenticeship. The designees shall have the resources of, support of, and access to, the apprenticeship program leadership, to ensure effective implementation. The designees will be responsible for all of the following:

(A) Monitoring all apprenticeship activity to ensure compliance with the nondiscrimination obligations required by this section.

(B) Maintaining records required under this section.

(C) Generating and submitting reports as may be required by the division.

(2) The apprenticeship program shall inform all applicants for apprenticeship, apprentices, instructors, and employees of the apprenticeship program of its commitment to equal opportunity. The apprenticeship program shall require that apprentices, instructors, and employees of the apprenticeship program take the necessary action to aid the apprenticeship program in meeting its nondiscrimination obligations under this section. The apprenticeship program, at a minimum, shall do all of the following:

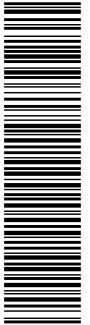
(A) Publish its equal opportunity pledge set forth in subdivision (c) in the program's apprenticeship standards, and in appropriate publications, such as apprentice and employee handbooks, policy manuals, newsletters, or other documents disseminated by the apprenticeship program that otherwise describe the nature of the program.

(B) Post its equal opportunity pledge set forth in subdivision (c) on bulletin boards, including through electronic media, such that it is accessible to apprentices and applicants for apprenticeship.

(C) Conduct orientation and periodic information sessions for apprentices, instructors, and employees of the apprenticeship program to inform and remind such individuals of the apprenticeship program's equal employment opportunity policy, and to provide the training required by subparagraph (A) of paragraph (4).

(D) Provide annual notice to any contractor that employs apprentices of the apprenticeship program's commitment to equal opportunity and the contractor's obligation to ensure that apprentices it employs are not harassed or discriminated against on any of the bases described in subdivision (a).

(E) Maintain records necessary to demonstrate compliance with these requirements, including records of complaints, and make them available to the Division of Apprenticeship Standards upon request.



(3) The apprenticeship program shall implement measures to ensure that its outreach and recruitment efforts for apprentices extend to all persons available for apprenticeship within the apprenticeship program's relevant recruitment area without regard to the characteristics described in subdivision (a).

(4) The apprenticeship program shall develop and implement procedures to ensure that its apprentices are not harassed or discriminated against on any of the bases described in subdivision (a), and to ensure that its apprenticeship program is free from intimidation and retaliation. To promote an environment in which all apprentices feel safe, welcomed, and treated fairly, the apprenticeship program shall ensure all of the following steps are taken:

(A) Providing antiharassment and antidiscrimination training to all apprentices, instructors, and employees of the apprenticeship program. This training shall not be a mere transmittal of information, but shall include participation by trainees, such as attending a training session in person or completing interactive training online. The training content shall include, at a minimum, communication of the following:

(i) That discriminatory or harassing conduct will not be tolerated.

(ii) The definition of discrimination and harassment and the types of conduct that constitute unlawful discrimination and harassment.

(iii) The complaint procedures established by the apprenticeship program as described in subparagraph (C).

(iv) The procedure for filing a complaint with the Administrator of Apprenticeship pursuant to Section 201 of Title 8 of the California Code of Regulations.

(B) Making all facilities and apprenticeship activities available without regard to the characteristics described in subdivision (a) of this section except that if the apprenticeship program provides restrooms or changing facilities, the apprenticeship program may provide separate or all-gender toilets and changing facilities, provided that all individuals have equal access to facilities consistent with their gender identity.

(C) Establishing and implementing procedures for handling and resolving internal complaints about harassment or discrimination, including, but not limited to, the following:

(i) Designation of an individual or individuals responsible to receive complaints by apprentices of harassment or discrimination.

(ii) Procedures for prompt, thorough, and impartial investigation of complaints.

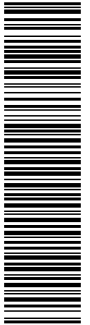
(iii) Procedures to protect the confidentiality of complaints to the extent possible and consistent with law.

(iv) Policies for immediate and appropriate corrective action when the program determines that harassment or discrimination has occurred, including policies for denying the dispatch of apprentices to, or revoking the training certification of, contractors that have been found by the apprenticeship program to have engaged in or permitted harassment of or discrimination against apprentices.

(v) Protections against retaliation for apprentices who have reported instances of harassment or discrimination.

(d) Each building and construction trades apprenticeship program shall include in its apprenticeship standards the following equal opportunity pledge:

(1) [Name of program] will not discriminate against apprenticeship applicants or apprentices based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status,



sex, gender, gender identity, gender expression, age for individuals over forty years of age, military or veteran status, or sexual orientation. [Name of program] will take affirmative steps to provide equal opportunity in apprenticeship.

(2) The nondiscrimination categories listed in this pledge may be broadened to conform to consistent federal, state, and local requirements. Programs may include additional protected categories, but may not exclude any of the categories protected by this section.

(e) An apprenticeship program may provide prevention of harassment training programs for journey-level workers.

(f) An apprenticeship program shall maintain records reflecting the prevention of harassment training provided, dates of training, and apprentice or journey-level worker attendance, and shall issue a certificate of completion to the apprentice or journey-level worker.

(g) The California Apprenticeship Council may issue rules and regulations as necessary to implement this section, including about what records apprenticeship programs shall maintain to demonstrate compliance with the requirements of this section. The division shall comply with the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

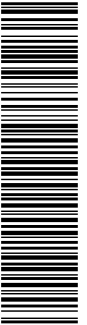
(h) (1) Existing registered building and construction trades apprenticeship programs shall comply with all obligations of this section within 180 days of the effective date of this act.

(2) A new building and construction trades apprenticeship program registering with the Division of Apprenticeship Standards after the effective date of this act shall comply with all obligations of this section upon registration or within 180 days after the effective date of this section, whichever is later.

(i) Failure to comply with the requirements of this section may be grounds for an audit in accordance with Section 9507, a complaint to the Administrator of Apprenticeship in accordance with Section 201 of Title 8 of the California Code of Regulations, or other actions in accordance with Section 212.4 of Title 8 of the California Code of Regulations. This section shall not create, or serve as the basis for, a private right of action, or limit any existing private right of action.

9513. (a) The preparation of trade analyses and development of curriculum for instruction, and the administration and supervision of related and supplemental instruction for apprentices, coordination of instruction with job experiences, and the selection and training of teachers and coordinators for this instruction shall be the responsibility of, and shall be provided by, state and local boards responsible for vocational education upon agreement with the program sponsor. This responsibility shall not preclude the establishment of off-campus related and supplemental instruction when approved, developed, and operated in cooperation with state and local school boards responsible for vocational education, and when the instruction meets all other requirements of this chapter. It is the intent of this chapter that the instruction shall be made available to apprentices through classroom instruction, correspondence courses, self-study, or other means of instruction approved by state and local public education agencies authorized to provide vocational education.

(b) Pursuant to this chapter all excess costs incurred by local public education agencies exceeding state apportionments and local revenue earned by the attendance



of apprentices shall be payable by the program sponsor, upon joint agreement between the sponsor and the local education agency. The State Board of Education, the Board of Governors of the California Community Colleges, and the Department of Better Jobs and Higher Wages shall jointly issue regulations regarding calculation and payment provisions of excess costs to be borne by the program sponsors. All funds accrued by local education agencies from attendance in apprenticeship classes authorized by this section shall be expended or allocated for all such classes offered by the local education agency before excess costs may be claimed.

(c) The Department of Education and the Board of Governors of the California Community Colleges may provide related and supplemental instruction to isolated apprentices as a direct instructional service, on a contractual basis with local school districts, by correspondence, or by a combination of these means. For the purpose of this section, an isolated apprentice is an apprentice registered with the Division of Apprenticeship Standards in the Department of Better Jobs and Higher Wages who cannot be enrolled in a class of related and supplementary instruction for apprentices because of the small number of apprentices available for an appropriate class or because there is no existing apprenticeship program within a reasonable travel distance.

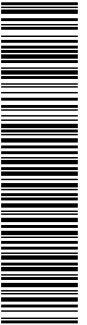
(d) Interested parties may file a complaint in accordance with Section 201 of Title 8 of the California Administrative Code, when a community college or secondary education district is unable to reach agreement with program sponsors in providing related and supplemental instruction. In the process of securing an amicable adjustment, the administrator, or their representative, shall meet with the parties involved, including, but not limited to, the chancellor, or their representative, or the Superintendent of Public Instruction, or their representative.

(e) Community colleges, and other public school districts, shall refuse to provide related and supplemental instruction to an apprenticeship program when it is determined by the Administrator of Apprenticeship that the program sponsor has been found to be in noncompliance with the State of California Plan for Equal Opportunity in Apprenticeship.

9514. In compliance with the affirmative action requirements of California's plan for equal opportunity in apprenticeship, school districts maintaining high schools, community colleges districts, and apprenticeship program sponsors, shall provide students with information as to the availability of apprenticeship programs.

9515. In providing related and supplemental instruction pursuant to Section 9513, and notwithstanding any provisions of the Education Code, the Superintendent of Public Instruction and the Chancellor of the California Community Colleges shall recognize registration in an apprenticeship program approved by the executive director as an acceptable prerequisite to enrollment into such related and supplemental classes.

9516. Notwithstanding any other law, the governing board of a school district which offers classroom instruction in postgraduate and upgrading courses pursuant to subdivision (d) of Section 9544 of this code may impose a fee upon individuals receiving instruction in such postgraduate and upgrading courses. Such fee shall be not more than the amount necessary, as determined by the governing board, to cover the total cost of all such classroom instruction given the individuals.



CHAPTER 2. APPRENTICESHIP PROGRAMS

9517. (a) An apprenticeship program may be administered by a joint apprenticeship committee, unilateral management or labor apprenticeship committee, or an individual employer. Programs may be approved by the executive director in any trade in the state or in a city or trade area, whenever the apprentice training needs justify the establishment. Where a collective bargaining agreement exists, a program shall be jointly sponsored unless either party to the agreement waives its right to representation in writing. Joint apprenticeship committees shall be composed of an equal number of employer and employee representatives.

(b) For purposes of subdivision (a), the apprentice training needs in the building and construction trades and firefighter programs shall be deemed to justify the approval of a new apprenticeship program only if any of the following conditions are met:

(1) There is no existing apprenticeship program approved under this chapter serving the same craft or trade and geographic area.

(2) Existing apprenticeship programs approved under this chapter that serve the same craft or trade and geographic area do not have the capacity, or neglect or refuse, to dispatch sufficient apprentices to qualified employers at a public works site who have requested apprentices and are willing to abide by the applicable apprenticeship standards, as shown by a sustained pattern of unfilled requests.

(3) Existing apprenticeship programs approved under this chapter that serve the same trade and geographic area have been identified by the California Apprenticeship Council as deficient in meeting their obligations under this chapter.

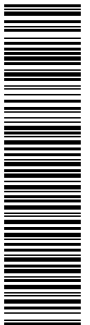
(c) For purposes of subdivision (b), an existing apprenticeship program serves the “same craft or trade” as a proposed apprenticeship program when there would be substantial overlap in the work processes covered by the programs or when graduates of the existing program would be qualified to perform a substantial portion of the work that would be performed by graduates of the new program.

(d) The executive director’s decisions regarding applications for new apprenticeship programs in the building and construction trades and firefighters may be appealed by any interested party to the California Apprenticeship Council. For purposes of this section, an application for expansion of an existing program to include an additional occupation shall be considered an application for a “new apprenticeship program.”

(e) The executive director’s decisions regarding applications for new apprenticeship programs outside the building and construction trades and firefighters are final and not subject to administrative appeal, except as otherwise provided in this section.

(f) The executive director’s decisions regarding applications for new apprenticeship programs shall be posted to the division’s internet website, which shall constitute the only form of notice and service. Appeals to the California Apprenticeship Council under this section must be filed within 30 days after notice of the executive director’s decision.

(g) The executive director shall not approve a new apprenticeship program that includes a substantial number of work processes covered by a program in the building and construction trades or firefighters, or approve the amendment of apprenticeship standards to include those work processes, unless either of the following applies:



(1) The program is in the building and construction trades or a firefighter program and subject to the rules and regulations of the California Apprenticeship Council.

(2) The California Apprenticeship Council has granted consent to the approval of the program or the amendment to the apprenticeship standards. If no party files an objection with the executive director to the approval of the proposed program or amendment alleging overlap of work processes under this subdivision, the executive director shall not be required to seek the consent of the California Apprenticeship Council prior to approving the program or amendment.

(h) At least 30 days before approval of a new apprenticeship program, or of an amendment to the apprenticeship standards to include new work processes, the department shall post on its internet website a copy of the proposed apprenticeship standards, which shall constitute the only form of notice and service that an application on the proposed program or amendment is pending. Notwithstanding subdivision (e), the executive director's decision regarding any new apprenticeship program or amendment of the apprenticeship standards to include new work processes may be appealed to the California Apprenticeship Council if notice under this subdivision is not provided.

(i) The department shall create a method on its internet website for members of the public to subscribe to receive email updates when new decisions or proposed apprenticeship standards are posted pursuant to this section.

(j) Only the following programs may dispatch apprentices to projects subject to prevailing wage or skilled and trained workforce requirements:

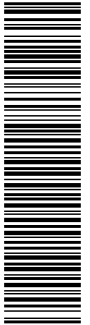
(1) Programs in the building and construction trades approved before July 1, 2018.

(2) Programs in the building and construction trades approved under the standard in subdivision (b).

9518. It is the public policy of this state to encourage the utilization of apprenticeship as a form of on-the-job training, when such training is cost-effective in developing skills needed to perform public services. State and local public agencies shall make a diligent effort to establish apprenticeship programs for apprenticeable occupations in their respective work forces. In furtherance of this policy, public agencies shall take into consideration (a) the extent to which a continuous supply of trained personnel is readily available to public agencies to meet their skill requirements in the various occupations which are determined to be apprenticeable, and (b) the application of established programs in the private sector, where appropriate. Public sector apprenticeship programs should be fully compatible with affirmative action goals for the participation of minorities and women in apprenticeship programs.

9519. (a) This section applies when a building and construction trades industry program applies to the executive director for approval of a new apprenticeship program or for the expansion of an existing apprenticeship program into a new occupation or geographic area. The requirements of this section are in addition to other requirements that may be imposed by statute or regulation.

(b) (1) An applicant for a new or expanded apprenticeship program under subdivision (a) shall submit to the executive director a written plan that sets out the number of new apprentices the applicant seeks to enroll during the next five years in the new or expanded program, new occupation, or new geographic area. The plan must



include the applicant's budget for training the new apprentices and a detailed explanation of how the applicant intends to provide sufficient funding to meet that budget.

(2) The applicant shall submit to the executive director a written plan providing a reasonable timetable to obtain sufficient commitments from employers to employ the new apprentices so as to ensure, to the extent feasible, consistent with the rates of employment for existing programs in good standing in the applicable trade, that the new apprentices will be employed continuously throughout the entire term of apprenticeship.

(3) The applicant shall submit to the executive director verifiable evidence that the applicant has obtained, or will obtain, suitable and adequate facilities to train the new apprentices. The executive director, or the executive director's representative, shall personally inspect the facilities within six months after the final approval of the program.

(4) The applicant shall submit to the executive director a plan for the recruitment and selection of the new apprentices. The plan shall include advertising of the new apprenticeship opportunities within the geographic area and outreach to organizations that promote apprenticeship opportunities to women and underrepresented minorities.

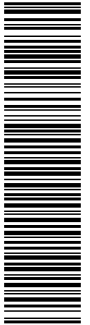
(c) The executive director shall not approve an application that fails to meet any of the requirements of this section. If the executive director does not approve an application because of its failure to comply with this section, the executive director shall within 90 days provide the applicant with a detailed explanation of the deficiencies in the application and recommendations for addressing those deficiencies to obtain program approval. The applicant may submit a new or amended application to the executive director within 90 days of receipt of the executive director's recommendations. The executive director shall provide a detailed response to a new or amended application within 90 days of its receipt.

9520. Each building and construction trades apprenticeship program shall provide to each apprentice, on at least a semiannual basis, a statement showing the number of hours of on-the-job training and related and supplemental instruction that the apprentice has acquired toward graduation, the total number of hours of on-the-job training and related and supplemental instruction that are necessary for graduation, and the apprentice's expected graduation date.

9521. Every building and construction trades industry apprenticeship program shall submit apprentice registration, change of address, graduation, and termination data to the Division of Apprenticeship Standards on a monthly basis in an electronic format acceptable to the division.

9522. The function of a joint apprenticeship committee, when specific written authority is delegated by the parent organizations represented, shall be to establish work processes, wage rates, working conditions for apprentices, the number of apprentices which shall be employed in the trade under apprentice agreements, and aid in the adjustment of apprenticeship disputes in accordance with standards for apprenticeship set up by the California Apprenticeship Council for programs in the building and construction trades and for firefighters or by the Executive Director of Apprenticeship Standards for other programs. Disciplinary proceedings resulting from disputes shall be duly noticed to the involved individuals.

9523. Program sponsors shall establish selection procedures which specify minimum requirements for formal education or equivalency, physical examination, if



any, subject matter of written tests and oral interviews, and any other criteria pertinent to the selection process; shall specify the relative weights of all factors which determine selection to an apprenticeship program; shall submit in writing to the executive director an official statement of each selection procedure including the filing date and location of the program sponsor; shall make a copy of the selection procedures available to each applicant; shall provide in writing to each applicant not selected an official explanation setting forth the reason or reasons for the nonselection, copies of which shall be retained as a public record in the files of the program sponsor for a period of five years; and shall implement affirmative action programs for minorities and women in accordance with the rules, regulations, and guidelines of the California Apprenticeship Council for programs in the building and construction trades and for firefighters or of the Executive Director of Apprenticeship Standards for other programs.

9524 (a) A program sponsor may provide in its selection procedures for an additional 10 points credit in the selection of veteran applicants for apprenticeship.

(b) For purposes of this section, "veteran" means a veteran who has served in the armed forces of this country for at least 181 consecutive days since January 31, 1955, and who has been discharged or released under conditions other than dishonorable, but does not include any person who served only in auxiliary or reserve components of the armed forces whose services therein did not exempt the person from the operation of the Selective Training and Service Act of 1940 (54 Stat. 885).

9525. The term "apprentice" as used in this chapter, means a person at least 16 years of age who has entered into a written agreement, in this chapter called an "apprentice agreement," with an employer or program sponsor. The term of apprenticeship for each apprenticeable occupation shall be approved by the executive director in accordance with the standards set forth in Section 9528.

9526. A program sponsor administering an apprenticeship program under this chapter shall not provide a maximum age for apprentices.

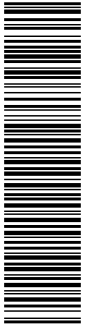
9527. Every apprentice agreement entered into under this chapter shall directly, or by reference, contain:

- (a) The names of the contracting parties.
- (b) The date of birth of the apprentice.
- (c) A statement of the trade, craft, or business which the apprentice is to be taught, and the time at which the apprenticeship will begin and end.
- (d) A statement showing the number of hours to be spent by the apprentice in work and the learning objectives to be accomplished through related and supplemental instruction, except as otherwise provided under Section 9513. In no case shall the combined weekly hours of work and required related and supplemental instruction of the apprentice exceed the maximum number of hours of work prescribed by law for a person of the age of the apprentice.

(e) A statement setting forth a schedule of the processes in the trade or industry divisions in which the apprentice is to be taught and the approximate time to be spent at each process.

(f) A statement of the graduated scale of wages to be paid the apprentice and whether the required schooltime shall be compensated.

(g) A statement providing for a period of probation during which time the apprentice agreement may be terminated by the program sponsor at the request in writing of either party, and providing that after the probationary period the apprentice



agreement may be terminated by the administrator by mutual agreement of all parties thereto, or canceled by the administrator for good and sufficient reason. The period of probation shall be reasonable in relation to the full apprenticeship term, with full credit given for such period toward completion of the apprenticeship, and in no event shall exceed the shorter of 25 percent of the length of the program or one year.

(h) A provision that all controversies or differences concerning the apprentice agreement which cannot be adjusted locally, or which are not covered by collective bargaining agreement, shall be submitted to the administrator for determination as provided for in Section 9532.

(i) A provision that an employer who is unable to fulfill the employer's obligation under the apprentice agreement may, with approval of the administrator, transfer the contract to any other employer if the apprentice consents and the other employer agrees to assume the obligation of the apprentice agreement.

(j) Such additional terms and conditions as may be prescribed or approved by the California Apprenticeship Council or by the executive director, in consultation with the Interagency Apprenticeship Advisory Committee, not inconsistent with the provisions of this chapter.

(k) A clause providing that there shall be no liability on the part of the other contracting party for an injury sustained by an apprentice engaged in schoolwork at a time when the employment of the apprentice has been temporarily or permanently terminated.

9528. (a) The term of apprenticeship may be measured either through the completion of the industry standard for hours of on-the-job learning and related and supplemental instruction, attainment of competency, or a hybrid blend of the time-based and competency-based approaches. However, programs in the building and construction trades and for firefighters shall use the time-based approach.

(1) The time-based approach measures skill acquisition through the individual apprentice's completion of at least 144 hours of related and supplemental instruction and 2,000 hours of on-the-job learning as described in a work process schedule.

(2) The competency-based approach measures skill acquisition through the individual apprentice's successful demonstration of acquired skills and knowledge, as verified by the program sponsor. Programs utilizing this approach shall require apprentices to complete no less than six months of an on-the-job learning component of registered apprenticeship. The program standards shall address how on-the-job learning will be integrated into the program, describe competencies, meet industry-recognized standards or certifications, and identify an appropriate means of testing and evaluation for such competencies.

(3) The hybrid approach measures the individual apprentice's skill acquisition through a combination of specified minimum number of hours of on-the-job learning and the successful demonstration of competency as described in a work process schedule. Programs utilizing this approach shall require apprentices to complete no less than six months of an on-the-job learning component of registered apprenticeship.

(4) Term measures shall be set forth in the program standards and shall be subject to approval by the Division of Apprenticeship Standards based on the appropriateness of the measures for the apprenticeable occupations to which they apply.

(b) Programs utilizing the competency-based or hybrid approach and that issue interim credentials must identify each type or stage for issuing an interim credential,



demonstrate how the credentials link to the components of the apprenticeable occupation, and establish a process for assessing an apprentice's demonstration of competency associated with the particular interim credential. Interim credentials may only be issued for recognized components of an apprenticeable occupation and specifically link the credentials to the knowledge, skills, and abilities associated with those components.

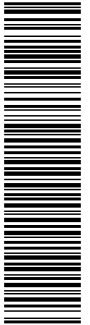
9529. Every apprentice agreement under this chapter shall be approved by the local joint apprenticeship committee or the parties to a collective bargaining agreement, or by the administrator where there is no collective bargaining agreement or joint committee, a copy of which shall be filed with the Division of Apprenticeship Standards. Every apprentice agreement shall be signed by the employer, or the employer's agent, or by a program sponsor, as provided in Section 9530, and by the apprentice, and if the apprentice is a minor, by the minor's parent or guardian. Where a minor enters into an apprentice agreement under this chapter for a period of training extending into the minor's majority, the apprentice agreement shall likewise be binding for such a period as may be covered during the apprentice's majority.

9530. (a) For the purpose of providing greater diversity of training or continuity of employment, any apprentice agreement made under this chapter may in the discretion of the California Apprenticeship Council for programs in the building and construction trades and for firefighters or of the executive director for other programs, be signed by an association of employers or an organization of employees instead of by an individual employer. In that case, the apprentice agreement shall expressly provide that the association of employers or organization of employees does not assume the obligation of an employer but agrees to use its best endeavors to procure employment and training for an apprentice with one or more employers who will accept full responsibility, as herein provided, for all the terms and conditions of employment and training set forth in the agreement between the apprentice and employer association or employee organization during the period of the apprentice's employment. The apprentice agreement shall also expressly provide for the transfer of the apprentice, subject to the approval of the California Apprenticeship Council for programs in the building and construction trades and for firefighters or of the executive director for other programs, to an employer or employers who shall sign a written agreement with the apprentice, and if the apprentice is a minor, with the apprentice's parent or guardian, as specified in Section 9529, contracting to employ the apprentice for the whole or a definite part of the total period of apprenticeship under the terms and conditions of employment and training set forth in the apprentice agreement.

(b) All apprenticeship programs with more than one employer or an association of employers shall include provisions sufficient to ensure meaningful representation of the interests of apprentices in the management of the program.

9531. An apprentice registered in an approved apprenticeship program in any of the building and construction trades shall be employed only as an apprentice when performing any construction work for an employer that is a party, individually or through an employer association, to any apprenticeship agreement or standards covering that individual.

9532. Upon the complaint of any interested person or upon the administrator's own initiative, the administrator may investigate to determine if there has been a violation of the terms of an apprentice agreement, made under this chapter, and hold



hearings, inquiries, and other proceedings necessary to such investigations and determinations. The parties to the agreement shall be given a fair and impartial hearing, after reasonable notice thereof. All hearings, investigations, and determinations shall be made under authority of reasonable rules and procedures prescribed by the California Apprenticeship Council for programs in the building and construction trades and for firefighters or by the executive director for other programs.

9533. (a) The determination of the administrator shall be in writing and sent by regular mail to the parties' last known addresses, with proof of service in accordance with Sections 1013a and 2015.5 of the Code of Civil Procedure.

(b) For complaints involving programs in the building and construction trades and for firefighters, the determination shall be filed with the California Apprenticeship Council. Any person aggrieved by the determination or action of the administrator may appeal therefrom to the council, which shall review the entire record and may hold a hearing thereon after due notice to the interested parties. If no appeal is filed with the council within 10 days from the date the parties are given notification of the determination, in accordance with subdivision (a), the determination shall become the final order of the council.

(c) For complaints involving any other program, the determination of the administrator shall be final.

9534. All findings of fact in a final determination or decision issued pursuant to Section 9533 shall be conclusive if supported by substantial evidence, and all orders and decisions shall be prima facie lawful and reasonable.

9535. Any party to an apprentice agreement aggrieved by final order, determination, or decision of the council issued pursuant to Section 9533, may maintain appropriate proceedings in the courts on questions of law. The final order, determination, or decision shall be conclusive if the proceeding is not filed within 30 days after the date the aggrieved party is given notification of the order, determination, or decision.

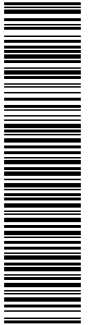
9536. In any case in which a person or persons have willfully violated any of the laws, regulations, or orders governing applicants for apprenticeship or apprentices registered under this chapter, the Division of Apprenticeship Standards may obtain in a court of competent jurisdiction, an injunction against any further violations of any such laws, regulations, or orders by such person or persons.

9537. No person shall institute any action for the enforcement of any apprentice agreement, or damages for the breach of any apprentice agreement, made under this chapter, unless all administrative remedies provided by this chapter have first been exhausted.

9538. Nothing in this chapter or in any apprentice agreement approved under this chapter shall operate to invalidate any apprenticeship provision in any collective bargaining agreement between employers and employees setting up higher apprenticeship standards.

9539. If any provision of this chapter or the application thereof to any person or circumstances is held invalid, the remainder of the chapter and the application of such provision to other persons and circumstances, shall not be affected thereby.

9540. The Division of Apprenticeship Standards shall investigate, approve or reject applications from establishments for apprenticeship and other on-the-job training, and for that purpose, may cooperate, or contract with, and receive reimbursements from the appropriate agencies of the Federal Government.



9541. Acceptance of an application for entrance into an apprenticeship training program shall not be predicated on the payment of any fee. Reasonable costs for expense incurred may be charged after an applicant has been accepted into the program.

9542. Pursuant to Section 16370 of the Government Code, there is hereby authorized in the State Treasury a Special Deposit Fund Account, which shall consist of moneys collected from the sale of instructional material to persons enrolled in any apprenticeship training program under this chapter. All of the moneys collected are hereby appropriated without regard to fiscal year for the support of the Department of Education to be used for the development and production of apprenticeship instructional material.

9543. A successful graduate of a training program in a particular apprenticeable occupation of a vocational education program meeting the standards of the California State Plan for Vocational Education may receive credit toward a term of apprenticeship if the program is jointly established and approved by a school district, a county superintendent of schools, a public entity conducting a regional occupational center or program, or a private postsecondary vocational school accredited by a regional or national accrediting agency recognized by the United States Office of Education and the program sponsor of the particular apprenticeable occupation.

CHAPTER 3. OTHER ON-THE-JOB TRAINING PROGRAMS

9544. (a) This section applies only when voluntarily requested by the parties to a collective bargaining agreement or by an employer, an employer's association, or a union, or its representative where there is no collective bargaining agreement.

(b) This section shall not be construed to compel, regulate, interfere with, or duplicate the provisions of any established training programs that are operated under the terms of any collective bargaining agreements or unilaterally by any employer or bona fide labor union.

(c) Services contemplated under this section may be provided only when voluntarily requested and shall be denied when it is found that existing prevailing conditions in the area and industry would in any way be lowered or adversely affected.

(d) The California Apprenticeship Council and the Division of Apprenticeship Standards, in cooperation with the Department of Education, the Labor and Workforce Development Agency, and the Board of Governors of the California Community Colleges, may foster and promote on-the-job training programs other than apprenticeship as follows: (1) programs for journeymen in the apprenticeable occupations to keep them abreast of current techniques, methods, and materials and opportunities for advancement in their industries; (2) programs in other than apprenticeable occupations for workers entering the labor market for the first time or workers entering new occupations by reason of having been displaced from former occupations by reason of economic, industrial, technological, or scientific changes or developments; (3) the programs shall be in accord with and agreed to by the parties to any applicable collective bargaining agreements and where appropriate will include joint employer-employee cooperation in the programs.

(e) The Division of Apprenticeship Standards when requested may foster and promote voluntary on-the-job training programs in accordance with this section, and assist employers, employees and other interested persons and agencies in the



development and carrying out of the programs. The Division of Apprenticeship Standards shall cooperate in these functions with the Department of Education, the Labor and Workforce Development Agency, and the Board of Governors of the California Community Colleges and other governmental agencies. The Division of Apprenticeship Standards may cooperate with the Department of Corrections and Rehabilitation and the Department of the Youth Authority in the development of training programs for inmates and ex-offenders released from correctional institutions.

(f) Apprenticeship programs, where appropriate, may include related and supplemental classroom instruction offered and administered by state and local boards responsible for vocational education.

(g) The activities and services of the Division of Apprenticeship Standards in training programs under this section shall be performed without curtailing or in any way interfering with the division's activities and services in apprenticeship.

(h) The Division of Apprenticeship Standards may contract with, and receive reimbursements from, appropriate federal, state, and other governmental agencies.

(i) The career technical education activities and services of the Department of Education, the Board of Governors of the California Community Colleges, and local public school districts shall not be abridged or abrogated through implementation of this section.

(j) "On-the-job training" as used in this section refers exclusively to training confined to the needs of a specific occupation and conducted at the jobsite for employed workers.

(k) "Journeyman," as used in this section, means a person who has either (1) completed an accredited apprenticeship in the person's craft, or (2) who has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the apprenticeship standards for the craft which has workers classified as journeymen in an apprenticeable occupation.

(l) This section shall not be construed to require prior approval, ratification, or reference of any training program to the Division of Apprenticeship Standards or the Department of Better Jobs and Higher Wages.

CHAPTER 4. PREAPPRENTICESHIP PROGRAMS

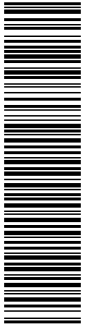
9545. (a) On or before January 1, 2019, the Division of Apprenticeship Standards shall develop a process to approve preapprenticeship programs for purposes of establishing eligibility for any state programs.

(b) (1) A program seeking approval as a preapprenticeship program shall submit to the executive director a request for approval on a form developed by the division.

(2) The request for approval shall include documentation evidencing that the program's preapprenticeship training activities are conducted in partnership with one or more apprenticeship programs approved by the executive director. Valid documentation for purposes of this section shall include a copy of a memorandum of understanding or other formal written agreement that does all the following:

(A) Verifies the apprenticeship program's support for the preapprenticeship program.

(B) Gives priority but not a guarantee to preapprenticeship graduates for acceptance into the apprenticeship program.



(C) Makes a commitment as to the number of preapprenticeship graduates that may be accepted into the apprenticeship program.

(c) To qualify for approval, a preapprenticeship program shall include the following elements:

(1) Training and curriculum based on industry standards and approved by the documented registered apprenticeship program partner or partners that will prepare individuals with the skills and competencies needed to enter one or more registered apprenticeship programs.

(2) Strategies that increase registered apprenticeship opportunities for underrepresented, disadvantaged, or low-skilled individuals, such that, upon completion, those individuals will meet the entry requirements, gain consideration, and be prepared for success in one or more registered apprenticeship programs. These strategies include any of the following:

(A) Strong recruitment efforts focused on outreach to populations underrepresented in local, state, and national registered apprenticeship programs.

(B) Educational and prevocational services that prepare individuals to meet the entry requisites of one or more registered apprenticeship programs, such as specific career and industry awareness workshops, job readiness courses, English for speakers of other languages, adult basic education, financial literacy seminars, and mathematics tutoring.

(C) Exposing participants to local, state, and national registered apprenticeship programs and providing direct assistance to participants applying to those programs.

(D) Facilitating access to appropriate support services during both the preapprenticeship program and a significant portion of the registered apprenticeship program.

(E) Efforts to sustain the ongoing partnership between the preapprenticeship program and registered apprenticeship program partner or partners, including collaborative efforts that promote alignment with the California Workforce Innovation and Opportunity Act (WIOA) Unified Strategic Workforce Development Plan and use of the registered apprenticeship program as a preferred means for employers to develop a skilled workforce and create career opportunities for individuals.

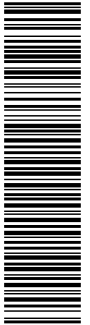
(F) Providing physical preparedness training for jobs where physical ability and endurance are key elements of success.

(G) Providing training on safe working practices where applicable to the job.

(H) Providing hands-on training to individuals in a simulated lab experience or through volunteer opportunities that accurately simulate industry and occupational conditions while observing proper supervision and safety protocols, provided that such experience and opportunities do not supplant or reduce the compensable work of paid employees.

(I) Providing for automatic acceptance or priority credits for acceptance into apprenticeship programs of individuals who have successfully completed the preapprenticeship program, and when applicable, giving advance credit in the apprenticeship program for skills and competencies already acquired in the preapprenticeship program.

(d) Preapprenticeship programs shall be evaluated and approved based on a determination of the strengths of the elements described in subdivision (c), as demonstrated in the application.



(e) Approval of a preapprenticeship program shall expire in three years unless the program requests and obtains renewal of its approval by the division. Renewed approval shall be based on the program's success in implementing the elements described in subdivision (c).

SEC. 70. Section 2716.5 of the Penal Code is amended to read:

2716.5. (a) There is hereby established the Pre-Release Construction Trades Certificate Program, hereinafter referred to in this section as "the program," in the Department of Corrections and Rehabilitation, hereinafter referred to in this section as the "department," to increase employment opportunities in the construction trades for inmates upon release.

(b) The department shall establish a joint advisory committee for the purpose of implementation of the program. The committee shall be composed of representatives from building and construction trades employee organizations, the State Building and Construction Trades Council of California, joint apprenticeship training programs, the Prison Industry Authority, the Division of Apprenticeship Standards, the Labor and Workforce Development Agency, and any other representatives the department determines appropriate. The responsibilities of the committee shall include, but are not be limited to, the following:

(1) Develop guidelines for the participation of inmates in preapprenticeship training programs, as described in subdivision (e) of Section ~~14230 of the Unemployment Insurance~~ 9344 of the Labor Code. The guidelines shall provide for the integration, for all inmate preapprenticeship training programs in the building and construction trades, of the multicraft core curriculum implemented by the State Department of Education for its California Partnership Academies pilot project and by the California Workforce Development Board and local workforce development boards.

(2) Develop and implement a pre-release construction trades certification that validates that an inmate completed instruction, skills, and competencies required by and recognized by the participating building and construction trades.

(3) Ensure compliance with any applicable requirements and regulations of the Division of Apprenticeship Standards.

(4) Evaluate pre-release on-the-job training opportunities to compare and match competencies with those of registered apprentices in the building and construction trades.

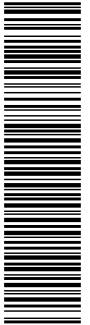
(5) Explore the feasibility of the electronic tracking of each participating inmate's relevant activities to efficiently capture competencies related to the certification.

(6) Explore the pre-release awarding of formal credit for apprenticeship hours recognized by joint apprenticeship training programs and the Division of Apprenticeship Standards.

(7) Facilitate the admission of graduates of inmate preapprenticeship programs, after release, into state-approved apprenticeship programs and for apprenticeship programs to evaluate such individuals for admission with advanced standing based on prior coursework and work experience.

SEC. 71. Section 3007.05 of the Penal Code is amended to read:

3007.05. (a) The Department of Corrections and Rehabilitation and the Department of Motor Vehicles shall ensure that all eligible inmates released from state



prisons have valid identification cards, issued pursuant to Article 5 (commencing with Section 13000) of Chapter 1 of Division 6 of the Vehicle Code.

(b) For purposes of this section, "eligible inmate" means an inmate who meets all of the following requirements:

(1) The inmate has previously held a California driver's license or identification card.

(2) The inmate has a usable photo on file with the Department of Motor Vehicles that is not more than 10 years old.

(3) The inmate has no outstanding fees due for a prior California identification card.

(4) The inmate has provided, and the Department of Motor Vehicles has verified, all of the following information:

(A) The inmate's true full name.

(B) The inmate's date of birth.

(C) The inmate's social security number.

(D) The inmate's legal presence in the United States.

(c) The Department of Corrections and Rehabilitation shall assist a person who is exonerated as to a conviction for which the person is serving a state prison sentence at the time of exoneration with all of the following:

(1) Transitional services, including housing assistance, job training, and mental health services, as applicable. The services shall be offered within the first week of an individual's exoneration and again within the first 30 days of exoneration. Services shall be provided for a period of not less than six months and not more than one year from the date of release unless the exonerated person qualifies for services beyond one year under existing law.

(2) Enrollment in the Medi-Cal program established pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code.

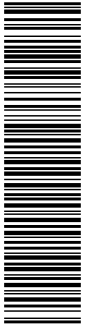
(3) (A) Enrollment in the CalFresh program established pursuant to Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code.

(B) Exonerated persons who are ineligible for CalFresh benefits pursuant to the federal Supplemental Nutrition Assistance Program limitation specified in Section 2015(o) of Title 7 of the United States Code shall be given priority for receipt of the 15-percent exemption specified in Section 2015(o)(6) of Title 7 of the United States Code. The State Department of Social Services shall issue guidance to counties regarding that requirement.

(4) Referral to the Employment Development ~~Department~~ Department, the Department of Better Jobs and Higher Wages, and applicable regional planning units for workforce services.

(5) Enrollment in the federal supplemental security income benefits program pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program pursuant to Title XVI of the federal Social Security Act and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code.

(d) (1) In addition to any other payment to which the person is entitled to by law, a person who is exonerated shall be paid the sum of one thousand dollars (\$1,000)



upon release, from funds to be made available upon appropriation by the Legislature for this purpose.

(2) In addition to any other payment to which the person is entitled to by law, a person who is exonerated shall be paid the sum of five thousand dollars (\$5,000) upon release, to be used for housing, including, but not limited to, hotel costs, mortgage expenses, a down payment, security deposit, or any payment necessary to secure and maintain rental housing or other housing accommodations. The exonerated person shall also be entitled to receive direct payment or reimbursement for reasonable housing costs for a period of not more than four years following release from custody. The Department of Corrections and Rehabilitation shall disburse payments or reimbursements pursuant to this paragraph from funds to be made available upon appropriation by the Legislature for this purpose.

(3) As used in paragraph (2), the term “reasonable housing costs” means all the following:

(A) For hotel costs, the cost of lodging, not to exceed 25 percent above the federal General Services Administration’s per diem lodging reimbursement rate.

(B) For payments necessary to secure and maintain rental housing, both of the following:

(i) The actual cost of any security deposits necessary to secure a rental housing unit.

(ii) The cost of rent, not to exceed 25 percent above the fair market value as defined by the United States Department of Housing and Urban Development.

(C) For mortgage expenses, the cost of mortgage payments, not to exceed 25 percent above the Federal Housing Administration’s area loan limits.

(e) For the purposes of this section, “exonerated” means the person has been convicted and subsequently one of the following occurred:

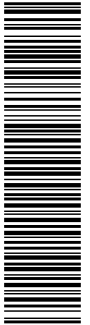
(1) A writ of habeas corpus concerning the person was granted on the basis that the evidence unerringly points to innocence, or the person’s conviction was reversed on appeal on the basis of insufficient evidence.

(2) A writ of habeas corpus concerning the person was granted pursuant to Section 1473, either resulting in dismissal of the criminal charges for which the person was incarcerated or following a determination that the person is entitled to release on the person’s own recognizance, or to bail, pending retrial or pending appeal.

(3) The person was given an absolute pardon by the Governor on the basis that the person was innocent.

SEC. 72. Section 11105.9 of the Penal Code is amended to read:

11105.9. (a) Notwithstanding subdivision (g) of Section 11105 and subdivision (a) of Section 13305, the Department of Corrections and Rehabilitation may provide the social security numbers of current or former inmates to the Employment Development Department, the Department of Better Jobs and Higher Wages, the California Workforce Development Board, or the California Workforce Development Board’s designee for the purposes set forth in subdivision (i) of Section ~~14013~~ 9309 of the ~~Unemployment Insurance Labor Code~~. The Employment Development Department, the Department of Better Jobs and Higher Wages, the California Workforce Development Board, and any board designee shall keep the social security numbers confidential and use them only to track the labor market and other employment outcomes



of program participants, as described in subdivision (i) of Section ~~14013~~ 9309 of the ~~Unemployment Insurance~~ Labor Code.

(b) The Employment Development Department, the Department of Better Jobs and Higher Wages, the California Workforce Development Board, and any board designee shall not disseminate social security numbers obtained pursuant to this section to an individual or public entity not identified in this section.

SEC. 73. Section 13601 of the Penal Code is amended to read:

13601. (a) (1) The CPOST shall develop, approve, and monitor standards for the selection and training of state correctional peace officer apprentices.

(2) Any standard for selection established under this subdivision shall be subject to approval by the Department of Human Resources. Using the psychological and screening standards approved by the Department of Human Resources, the Department of Human Resources or the Department of Corrections and Rehabilitation shall ensure that, prior to training, each applicant who has otherwise qualified in all physical and other testing requirements to be a peace officer the Department of Corrections and Rehabilitation, is determined to be free from emotional or mental conditions that might adversely affect the exercise of ~~his or her~~ their duties and powers as a peace officer pursuant to the standards developed by CPOST.

(3) When developing, approving, and monitoring the standards for training of state correctional peace officer apprentices, the CPOST shall consider including additional training in the areas of mental health and rehabilitation, as well as coursework on the theory and history of corrections.

(b) The CPOST may approve standards for a course in the carrying and use of firearms for correctional peace officers that is different from that prescribed pursuant to Section 832. The standards shall take into consideration the different circumstances presented within the institutional setting from that presented to other law enforcement agencies outside the correctional setting.

(c) Notwithstanding Section ~~3078~~ 9527 of the Labor Code, the length of the probationary period for correctional peace officer apprentices shall be determined by the CPOST subject to approval by the State Personnel Board, pursuant to Section 19170 of the Government Code.

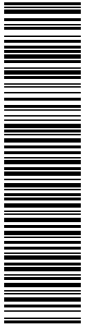
(d) The CPOST shall develop, approve, and monitor standards for advanced rank-and-file and supervisory state correctional peace officer and training programs for the Department of Corrections and Rehabilitation. When a correctional peace officer is promoted within the department, ~~he or she~~ they shall be provided with and be required to complete these secondary training experiences.

(e) The CPOST shall develop, approve, and monitor standards for the training of state correctional peace officers in the department in the handling of stress associated with their duties.

(f) Toward the accomplishment of the objectives of this section, the CPOST may confer with, and may avail itself of the assistance and recommendations of, other state and local agencies, boards, or commissions.

(g) Notwithstanding the authority of the CPOST, the department shall design and deliver training programs, shall conduct validation studies, and shall provide program support. The CPOST shall monitor program compliance by the department.

(h) The CPOST may disapprove any training courses created by the department pursuant to the standards developed by CPOST if it determines that the courses do not



meet the prescribed standards. Training may continue with existing curriculum pending resolution.

(i) The CPOST shall annually submit an estimate of costs to conduct those inquiries and audits as may be necessary to determine whether the department and each of its institutions and parole regions are adhering to the standards developed by the CPOST, and shall conduct those inquiries and audits consistent with the annual Budget Act.

(j) The CPOST shall establish and implement procedures for reviewing and issuing decisions concerning complaints or recommendations from interested parties regarding the CPOST rules, regulations, standards, or decisions.

SEC. 74. Section 2601 of the Public Contract Code is amended to read:

2601. For purposes of this chapter:

(a) "Apprenticeable occupation" means an ~~occupation for which the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations had approved an apprenticeship program that was approved~~ pursuant to Section ~~3075~~ 9517 of the Labor Code before January 1, 2014.

(b) ~~"Chief"~~ "Executive director" means the Chief Executive Director of the Division of Apprenticeship Standards of the Department of ~~Industrial Relations~~. Better Jobs and Higher Wages.

(c) "Graduate of an apprenticeship program" means either of the following:

(1) An individual that has been issued a certificate of completion under the authority of the California Apprenticeship Council for completing an apprenticeship program approved by the ~~chief executive director~~ pursuant to Section ~~3075~~ 9517 of the Labor Code.

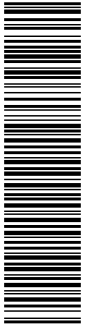
(2) An individual that has completed an apprenticeship program located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(d) "Skilled and trained workforce" means a workforce that meets all of the following conditions:

(1) All the workers performing work in an apprenticeable occupation in the building and construction trades are either skilled journeypersons or apprentices registered in an apprenticeship program approved by the ~~chief executive director~~.

(2) (A) For work performed on or after January 1, 2017, at least 30 percent of the skilled journeypersons employed to perform work on the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation. This requirement shall not apply to work performed in the occupation of teamster.

(B) For work performed on or after January 1, 2018, at least 40 percent of the skilled journeypersons employed to perform work on the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation, except that the requirements of subparagraph (A) shall continue to apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.



(C) For work performed on or after January 1, 2019, at least 50 percent of the skilled journeypersons employed to perform work on the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation, except that the requirements of subparagraph (A) shall continue to apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

(D) For work performed on or after January 1, 2020, at least 60 percent of the skilled journeypersons employed to perform work on the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation, except that the requirements of subparagraph (A) shall continue to apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

(3) For an apprenticeable occupation in which no apprenticeship program had been approved by the ~~chief~~ executive director before January 1, 1995, up to one-half of the graduation percentage requirements of paragraph (2) may be satisfied by skilled journeypersons who commenced working in the apprenticeable occupation before the ~~chief's executive director's~~ approval of an apprenticeship program for that occupation in the county in which the project is located.

(4) The apprenticeship graduation percentage requirements of paragraph (2) are satisfied if, in a particular calendar month, either of the following is true:

(A) At least the required percentage of the skilled journeypersons employed by the contractor or subcontractor to perform work on the contract or project meet the graduation percentage requirement.

(B) For the hours of work performed by skilled journeypersons employed by the contractor or subcontractor on the contract or project, the percentage of hours performed by skilled journeypersons who met the graduation requirement is at least equal to the required graduation percentage.

(5) The contractor or subcontractor need not meet the apprenticeship graduation requirements of paragraph (2) if, during the calendar month, the contractor or subcontractor employs skilled journeypersons to perform fewer than 10 hours of work on the contract or project.

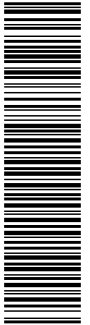
(6) A subcontractor need not meet the apprenticeship graduation requirements of paragraph (2) if both of the following requirements are met:

(A) The subcontractor was not a listed subcontractor under Section 4104 or a substitute for a listed subcontractor.

(B) The subcontract does not exceed one-half of 1 percent of the price of the prime contract.

(e) "Skilled journeyperson" means a worker who either:

(1) Graduated from an apprenticeship program for the applicable occupation that was approved by the ~~chief~~ executive director or located outside California and



approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(2) Has at least as many hours of on-the-job experience in the applicable occupation as would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the ~~chief executive director~~.

SEC. 75. Section 6824 of the Public Contract Code is amended to read:

6824. The procurement process for the design-build project shall progress as follows:

(a) A transportation entity shall prepare a set of documents setting forth the scope and estimated price of a project. The documents may include, but need not be limited to, the size, type, and desired design character of the project, performance specifications covering the quality of materials, equipment, workmanship, preliminary plans, and any other information deemed necessary to describe adequately the transportation entity's needs. The performance specifications and any plans shall be prepared by a design professional who is duly licensed and registered in California.

(b) Based on the documents prepared as described in subdivision (a), the transportation entity shall prepare a request for proposals that invites interested parties to submit competitive sealed proposals in the manner prescribed by the transportation entity. The request for proposals shall include, but need not be limited to, the following elements:

(1) Identification of the basic scope and needs of the project or contract, the estimated cost of the project, the methodology that will be used by the transportation entity to evaluate proposals, whether the contract will be awarded on the basis of the lowest responsible bid or on best value, and any other information deemed necessary by the transportation entity to inform interested parties of the contracting opportunity.

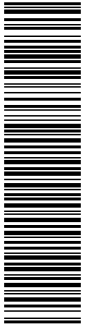
(2) Significant factors that the transportation entity reasonably expects to consider in evaluating proposals, including, but not limited to, cost or price and all nonprice-related factors.

(3) The relative importance or the weight assigned to each of the factors identified in the request for proposals.

(4) For transportation entities authorized to utilize best value as a selection method, the transportation entity reserves the right to request proposal revisions and hold discussions and negotiations with responsive bidders and shall so specify in the request for proposals and shall publish separately or incorporate into the request for proposals applicable rules and procedures to be observed by the transportation entity to ensure that any discussions or negotiations are conducted in good faith.

(c) Based on the documents prepared under subdivision (a), the transportation entity shall prepare and issue a request for qualifications in order to prequalify or short-list the design-build entities whose proposals shall be evaluated for final selection. The request for qualifications shall include, but need not be limited to, the following elements:

(1) Identification of the basic scope and needs of the project or contract, the expected cost range, the methodology that will be used by the transportation entity to evaluate proposals, the procedure for final selection of the design-build entity, and any other information deemed necessary by the transportation entity to inform interested parties of the contracting opportunity.



(2) (A) Significant factors that the transportation entity reasonably expects to consider in evaluating qualifications, including technical design and construction expertise, skilled labor force availability, and all other nonprice-related factors.

(B) For purposes of subparagraph (A), skilled labor force availability shall be determined by the existence of an agreement with a registered apprenticeship program, approved by the California Apprenticeship Council, that has graduated at least one apprentice in each of the preceding five years. This graduation requirement shall not apply to programs providing apprenticeship training for any craft that was first deemed by the Department of Labor and the Department of ~~Industrial Relations~~ Better Jobs and Higher Wages to be an apprenticeable craft within the five years prior to the effective date of this article.

(3) A standard form request for statements of qualifications prepared by the transportation entity. In preparing the standard form, the transportation entity may consult with the construction industry, the building trades and surety industry, and other public agencies interested in using the authorization provided by this chapter. The standard form shall require information including, but not limited to, all of the following:

(A) If the design-build entity is a partnership, limited partnership, joint venture, or other association, a listing of all of the partners, general partners, or association members known at the time of statement of qualification submission who will participate in the design-build contract.

(B) Evidence that the members of the design-build entity have completed, or demonstrated the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project, and a financial statement that assures the transportation entity that the design-build entity has the capacity to complete the project.

(C) The licenses, registration, and credentials required to design and construct the project, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(D) Evidence that establishes that the design-build entity has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(E) Information concerning workers' compensation experience history and a worker safety program.

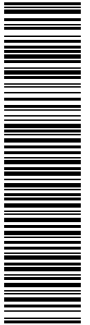
(F) A full disclosure regarding all of the following that are applicable:

(i) Any serious or willful violation of Part 1 (commencing with Section 6300) of Division 5 of the Labor Code or the federal Occupational Safety and Health Act of 1970 (Public Law 91-596), settled against any member of the design-build entity.

(ii) Any debarment, disqualification, or removal from a federal, state, or local government public works project.

(iii) Any instance where the design-build entity, or its owners, officers, or managing employees submitted a bid on a public works project and were found to be nonresponsive or were found by an awarding body not to be a responsible bidder.

(iv) Any instance where the design-build entity, or its owners, officers, or managing employees defaulted on a construction contract.



(v) Any violations of the Contractors' State License Law, as described in Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, including alleged violations of federal or state law regarding the payment of wages, benefits, apprenticeship requirements, or personal income tax withholding, or Federal Insurance Contribution Act (FICA) withholding requirements settled against any member of the design-build entity.

(vi) Any bankruptcy or receivership of any member of the design-build entity, including, but not limited to, information concerning any work completed by a surety.

(vii) Any settled adverse claims, disputes, or lawsuits between the owner of a public works project and any member of the design-build entity during the five years preceding submission of a bid under this article, in which the claim, settlement, or judgment exceeds fifty thousand dollars (\$50,000). Information shall also be provided concerning any work completed by a surety during this five-year period.

(G) If the proposed design-build entity is a partnership, limited partnership, joint-venture, or other association, a copy of the organizational documents or agreement committing to form the organization, and a statement that all general partners, joint venture members, or other association members agree to be fully liable for the performance under the design-build contract.

(H) An acceptable safety record. A bidder's safety record shall be deemed acceptable if its experience modification rate for the most recent three-year period is an average of 1.00 or less, and its average total recordable injury/illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category or if the bidder is a party to an alternative dispute resolution system as provided for in Section 3201.5 of the Labor Code.

(4) The information required under this subdivision shall be verified under oath by the design-build entity and its members in the manner in which civil pleadings in civil actions are verified. Information required under this subdivision that is not a public record under the California Public Records Act, as described in Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code, shall not be open to public inspection.

(d) For those projects utilizing low bid as the final selection method, the competitive bidding process shall result in lump-sum bids by the prequalified or short-listed design-build entities. Awards shall be made to the lowest responsible bidder.

(e) For those projects utilizing best value as a selection method, the design-build competition shall progress as follows:

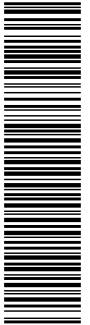
(1) Competitive proposals shall be evaluated by using only the criteria and selection procedures specifically identified in the request for proposals. However, the following minimum factors shall be weighted as deemed appropriate by the contracting transportation entity:

(A) Price.

(B) Technical design and construction expertise.

(C) Life-cycle costs over 15 years or more.

(2) Pursuant to subdivision (b), the transportation entity may hold discussions or negotiations with responsive bidders using the process articulated in the transportation entity's request for proposals.



(3) When the evaluation is complete, the top three responsive bidders shall be ranked sequentially based on a determination of value provided.

(4) The award of the contract shall be made to the responsible bidder whose proposal is determined by the transportation entity to have offered the best value to the public.

(5) Notwithstanding any other provision of this code, upon issuance of a contract award, the transportation entity shall publicly announce its award, identifying the contractor to whom the award is made, along with a written decision supporting its contract award and stating the basis of the award. The notice of award shall also include the transportation entity's second- and third-ranked design-build entities.

(6) The written decision supporting the transportation entity's contract award, described in paragraph (5), and the contract file shall provide sufficient information to satisfy an external audit.

SEC. 76. Section 10506.5 of the Public Contract Code is amended to read:

10506.5. For purposes of this article, the following definitions apply:

(a) "Best value" means a procurement process whereby the lowest responsible bidder may be selected on the basis of objective criteria for evaluating the qualifications of bidders with the resulting selection representing the best combination of price and qualifications.

(b) "Best value contract" means a contract entered into pursuant to the provisions of this article.

(c) "Best value contractor" means a properly licensed person, firm, or corporation that submits a bid for, or is awarded, a best value contract.

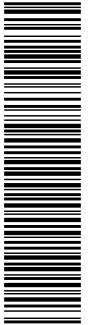
(d) "Demonstrated management competency" means the experience, competency, capability, and capacity of the proposed management staffing to complete projects of similar size, scope, or complexity.

(e) "Financial condition" means the financial resources needed to perform the contract. The criteria used to evaluate a bidder's financial condition shall include, at a minimum, capacity to obtain all required payment bonds, performance bonds, and liability insurance.

(f) "Labor compliance" means the ability to comply with, and past performance with, contract and statutory requirements for the payment of wages and qualifications of the workforce. The criteria used to evaluate a bidder's labor compliance shall include, as a minimum, the bidder's ability to comply with the apprenticeship requirements of the California Apprenticeship Council and the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, its past conformance with such requirements, and its past conformance with requirements to pay prevailing wages on public works projects.

(g) "Project labor agreement" means a prehire collective bargaining agreement that establishes terms and conditions of employment for a specific construction project or projects and is an agreement described in Section 158(f) of Title 29 of the United States Code.

(h) "Qualifications" means financial condition, relevant experience, demonstrated management competency, labor compliance, the safety record of the bidder, and, if required by the bidding documents, some or all of the preceding qualifications as they pertain to subcontractors proposed to be used by the bidder for designated portions of the work.



(i) "Relevant experience" means the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity.

(j) "Safety record" means the prior history concerning the safe performance of construction contracts. The criteria used to evaluate a bidder's safety record shall include, as a minimum, its experience modification rate for the most recent three-year period, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period.

(k) "University" means all locations of the University of California.

SEC. 77. Section 10506.8 of the Public Contract Code is amended to read:
10506.8. For purposes of this article:

(a) "Apprenticeable occupation" means an occupation for which ~~the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations has approved an apprenticeship program was approved~~ pursuant to Section 3075.9517 of the Labor Code before January 1, 2014.

(b) ~~"Chief"~~ "Executive director" means the ~~Chief Executive Director~~ of the Division of Apprenticeship Standards of the Department of ~~Industrial Relations. Better Jobs and Higher Wages.~~

(c) "Graduate of an apprenticeship program" means either of the following:

(1) An individual who has been issued a certificate of completion under the authority of the California Apprenticeship Council for completing an apprenticeship program approved by the ~~chief executive director~~ pursuant to Section 3075.9517 of the Labor Code.

(2) An individual who has completed an apprenticeship program located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

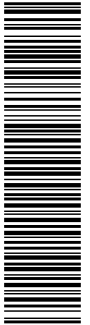
(d) "Skilled and trained workforce" means a workforce that meets all of the following requirements:

(1) All of the workers performing work in an apprenticeable occupation in the building and construction trades are either skilled journeypersons or apprentices registered in an apprenticeship program approved by the ~~chief executive director.~~

(2) (A) For work performed on or after January 1, 2017, at least 30 percent of the skilled journeypersons employed to perform work in the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation. This requirement shall not apply to work performed in the occupation of teamster.

(B) For work performed on or after January 1, 2018, at least 40 percent of the skilled journeypersons employed to perform work in the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation. This requirement shall not apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

(C) For work performed on or after January 1, 2019, at least 50 percent of the skilled journeypersons employed to perform work on the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship



program for the applicable occupation. This requirement shall not apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

(D) For work performed on or after January 1, 2020, at least 60 percent of the skilled journeypersons employed to perform work on the contract or project by every contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation. This requirement shall not apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

(3) For an applicable occupation in which no apprenticeship program had been approved by the ~~chief executive director~~ before January 1, 1995, up to one-half of the graduation percentage requirement of paragraph (2) may be satisfied by skilled journeypersons who commenced working in the apprenticeable occupation before the ~~chief's executive director's~~ approval of an apprenticeship program for that occupation in the county in which the project is located.

(4) The apprenticeship graduation percentage requirements of paragraph (2) are satisfied if, in a calendar month, either of the following occurs:

(A) At least the required percentage of the skilled journeypersons employed by the contractor or subcontractor to perform work on the contract or project meet the graduation percentage requirements.

(B) For the hours of work performed by skilled journeypersons employed by the contractor or subcontractor on the contract or project, the percentage of hours performed by skilled journeypersons who meet the graduation requirement is at least equal to the required graduation percentage.

(5) The contractor or subcontractor need not meet the apprenticeship graduation requirements of paragraph (2) if, during the calendar month, the contractor or subcontractor employs skilled journeypersons to perform fewer than 10 hours of work on the contract or project.

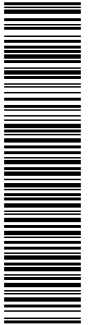
(6) A subcontractor need not meet the apprenticeship requirements of paragraph (2) if both of the following requirements are met:

(A) The subcontractor was not a listed subcontractor under Section 4104 or a substitute for a listed subcontractor.

(B) The subcontract does not exceed one-half of 1 percent of the price of the prime contract.

(e) "Skilled journeyperson" means a worker who either:

(1) Graduated from an apprenticeship program for the applicable occupation that was approved by the ~~chief executive director~~ or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.



(2) Has at least as many hours of on-the-job experience in the applicable occupation as would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the ~~chief~~ executive director.

SEC. 78. Section 20119.1 of the Public Contract Code is amended to read:

20119.1. As used in this article:

(a) "Best value" means a procurement process whereby the selected bidder may be selected on the basis of objective criteria for evaluating the qualifications of bidders with the resulting selection representing the best combination of price and qualifications.

(b) "Best value contract" means a competitively bid contract entered into pursuant to this article.

(c) "Best value contractor" means a properly licensed person, firm, or corporation that submits a bid for and is awarded a best value contract.

(d) "Best value score" means the resulting score when the school district divides the bidder's price by the bidder's qualification score.

(e) "Demonstrated management competency" means the experience, competency, capability, and capacity of the proposed management staffing to complete projects of similar size, scope, or complexity.

(f) "Financial condition" means the financial resources needed to perform the contract. The criteria used to evaluate a bidder's financial condition shall include, at a minimum, capacity to obtain all required payment bonds and required insurance.

(g) "Governing board" or "governing board of the school district" means the governing board of the Los Angeles Unified School District.

(h) "Labor compliance" means the ability to comply with, and past conformance with, contract and statutory requirements for the payment of wages and qualifications of the workforce. The criteria used to evaluate a bidder's labor compliance shall include, at a minimum, the bidder's ability to comply with the apprenticeship requirements of the California Apprenticeship Council and the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, its past conformance with such requirements, and its past conformance with requirements to pay prevailing wages on public works projects.

(i) "Project" has the same meaning as "public project," as defined in subdivision (c) of Section 22002.

(j) "Qualifications" means financial condition, relevant experience, demonstrated management competency, labor compliance, the safety record of the bidder, and, to the extent relevant, the preceding qualifications as they pertain to all subcontractors proposed to be used by the bidder for designated portions of the work.

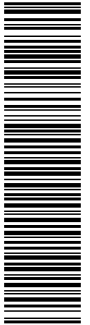
(k) "Relevant experience" means the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity.

(l) "Safety record" shall be deemed "acceptable" if a contractor's experience modification rate for the most recent three-year period is an average of 1.00 or less, and the contractor's average total recordable injury or illness rate and average lost work rate for the most recent three-year period do not exceed the applicable statistical standards for its business category or if the bidder is a party to an alternative dispute resolution system as provided for in Section 3201.5 of the Labor Code.

(m) "School district" means the Los Angeles Unified School District.

SEC. 79. Section 20155.1 of the Public Contract Code is amended to read:

20155.1. As used in this article:



(a) “Best value” means a procurement process whereby the selected bidder may be selected on the basis of objective criteria for evaluating the qualifications of bidders with the resulting selection representing the best combination of price and qualifications.

(b) “Best value contract” means a competitively bid contract entered into pursuant to this article.

(c) “Best value contractor” means a properly licensed person, firm, or corporation that submits a bid for, or is awarded, a best value contract.

(d) “County” means any of the following counties:

- (1) The County of Alameda.
- (2) The County of Los Angeles.
- (3) The County of Monterey.
- (4) The County of Riverside.
- (5) The County of San Bernardino.
- (6) The County of San Diego.
- (7) The County of San Mateo.
- (8) The County of Santa Clara.
- (9) The County of Solano.
- (10) The County of Yuba.

(e) “Demonstrated management competency” means the experience, competency, capability, and capacity of the proposed management staffing to complete projects of similar size, scope, or complexity.

(f) “Financial condition” means the financial resources needed to perform the contract. The criteria used to evaluate a bidder’s financial condition shall include, at a minimum, capacity to obtain all required payment bonds, performance bonds, and liability insurance.

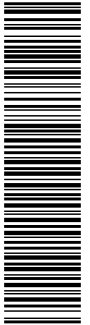
(g) “Labor compliance” means the ability to comply with, and past performance with, contract and statutory requirements for the payment of wages and qualifications of the workforce. The criteria used to evaluate a bidder’s labor compliance shall include, as a minimum, the bidder’s ability to comply with the apprenticeship requirements of the California Apprenticeship Council and the Department of ~~Industrial Relations~~, Better Jobs and Higher Wages, its past conformance with those requirements, and its past conformance with requirements to pay prevailing wages on public works projects.

(h) “Qualifications” means the financial condition, relevant experience, demonstrated management competency, labor compliance, and safety record of the bidder, and, if required by the bidding documents, some or all of the preceding qualifications as they pertain to subcontractors proposed to be used by the bidder for designated portions of the work. A county shall evaluate financial condition, relevant experience, demonstrated management competency, labor compliance, and safety record, using, to the extent possible, quantifiable measurements.

(i) “Relevant experience” means the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity.

(j) “Safety record” means the prior history concerning the safe performance of construction contracts. The criteria used to evaluate a bidder’s safety record shall include, at a minimum, its experience modification rate for the most recent three-year period, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period.

SEC. 80. Section 20928.2 of the Public Contract Code is amended to read:



20928.2. The procurement process for the project shall progress as follows:

(a) The local agency shall prepare a set of documents setting forth the scope and estimated price of the project. The documents may include, but need not be limited to, the size, type, and desired design character of the project, performance specifications covering the quality of materials, equipment, workmanship, preliminary plans or building layouts, or any other information deemed necessary to describe adequately the local agency's needs. The performance specifications and any plans shall be prepared by a design professional who is duly licensed and registered in California.

(b) The local agency shall prepare and issue a request for qualifications in order to prequalify or short-list the entities, including subcontractors and suppliers, whose bids shall be evaluated for final selection. The request for qualifications shall include, but need not be limited to, the following elements:

(1) Identification of the basic scope and needs of the project or contract, the expected cost range, the methodology that will be used by the local agency to evaluate bids, the procedure for final selection of the bidder, and any other information deemed necessary by the local agency to inform interested parties of the contracting opportunity.

(2) Significant factors that the local agency reasonably expects to consider in evaluating qualifications, including technical design-related expertise, construction expertise, acceptable safety records, and all other non-price-related factors.

(3) A standard template request for statements of qualifications prepared by the local agency. In preparing the standard template, the local agency may consult with the construction industry, the building trades and surety industry, and other local agencies interested in using the authorization provided by this article. The template shall require all of the following information:

(A) If the bidder is a privately held corporation, limited liability company, partnership, or joint venture, comprised of privately held entities, a listing of all of the shareholders, partners, or members known at the time of statement of qualification submission who will perform work on the project.

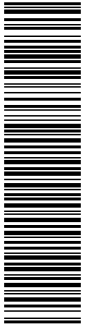
(B) Evidence that the members of the contracting team have completed, or demonstrated the experience, competency, capability, and capacity to complete, projects of similar size, scope, or complexity and that proposed key personnel have sufficient experience and training to competently manage and complete the project, and a financial statement that ensures that the bidder has the capacity to complete the project.

(C) The licenses, registration, and credentials required for the project, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(D) Evidence that establishes that the bidder has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(E) Information concerning workers' compensation experience history and a worker safety program.

(F) An acceptable safety record. "Safety record" means the prior history concerning the safe performance of construction contracts. The criteria used to evaluate a bidder's safety record shall include, at a minimum, its experience modification rate for the most recent three-year period, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period.



(4) The information required under this subdivision shall be certified under penalty of perjury by the bidder and its general partners or joint venture members.

(c) A contracting entity shall not be prequalified or short-listed unless the entity provides an enforceable commitment to the local agency that the entity and its subcontractors will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(1) For purposes of this subdivision:

(A) "Apprenticeable occupation" means an occupation for which ~~the chief had approved an apprenticeship program was approved~~ pursuant to ~~Section 3075~~ 9517 of the Labor Code prior to January 1, 2014.

(B) "Skilled and trained workforce" means a workforce that meets all of the following conditions:

(i) All the workers are either skilled journeypersons or apprentices registered in an apprenticeship program approved by the ~~Chief~~ Executive Director of the Division of Apprenticeship Standards.

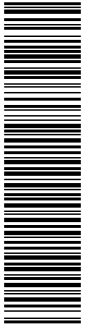
(ii) (I) For work performed on or after January 1, 2017, at least 30 percent of the skilled journeypersons employed to perform work on the contract or project by the bidder and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved ~~by the Chief of the Division of Apprenticeship Standards~~ pursuant to ~~Section 3075~~ 9517 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(II) For work performed on or after January 1, 2018, at least 40 percent of the skilled journeypersons employed to perform work on the contract or project by the bidder and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved ~~by the Chief of the Division of Apprenticeship Standards~~ pursuant to ~~Section 3075~~ 9517 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(III) For work performed on or after January 1, 2019, at least 50 percent of the skilled journeypersons employed to perform work on the contract or project by the bidder and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved ~~by the Chief of the Division of Apprenticeship Standards~~ pursuant to ~~Section 3075~~ 9517 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(IV) For work performed on or after January 1, 2020, at least 60 percent of the skilled journeypersons employed to perform work on the contract or project by the bidder and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation that was either approved ~~by the Chief of the Division of Apprenticeship Standards~~ pursuant to ~~Section 3075~~ 9517 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(iii) For an apprenticeable occupation in which no apprenticeship program had been approved by the ~~chief executive director~~ prior to January 1, 1995, up to one-half of the graduation percentage requirements of clause (ii) may be satisfied by skilled



journeypersons who commenced working in the apprenticeable occupation prior to the ~~chief's~~ executive director's approval of an apprenticeship program for that occupation in the county in which the project is located.

(C) "Skilled journeyperson" means a worker who either:

(i) Graduated from an apprenticeship program for the applicable occupation that was approved by the ~~chief~~ executive director or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(ii) Has at least as many hours of on-the-job experience in the applicable occupation as would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the ~~chief~~ executive director.

(2) The apprenticeship graduation percentage requirements of subparagraph (B) of paragraph (1) are satisfied if, in a particular calendar month, either of the following is true:

(A) The required percentage of the skilled journeypersons employed by the contractor or subcontractor to perform work on the contract or project meet the graduation percentage requirement.

(B) For the hours of work performed by skilled journeypersons employed by the contractor or subcontractor on the contract or project, the percentage of hours performed by skilled journeypersons who met the graduation requirement meets or exceeds the required graduation percentage.

(3) A contractor or subcontractor need not meet the apprenticeship graduation requirements of subparagraph (B) of paragraph (1) if, during the calendar month, the contractor or subcontractor employs skilled journeypersons to perform fewer than 10 hours of work on the contract or project.

(4) A subcontractor need not meet the apprenticeship graduation requirements of subparagraph (B) of paragraph (1) if both of the following requirements are met:

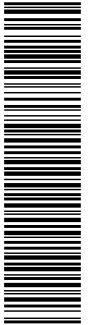
(A) The subcontractor was not a listed subcontractor under Section 4104 or a substitute for a listed subcontractor.

(B) The subcontract does not exceed one-half of 1 percent of the price of the prime contract.

(5) (A) A contractor, bidder, or other entity's commitment that a skilled and trained workforce will be used to perform the project or contract shall be established by the contractor, bidder, or other entity's agreement with the local agency that the contractor, bidder, or other entity and its subcontractors at every tier will comply with this subdivision and that the contractor, bidder, or other entity will provide the local agency with a report on a monthly basis while the project or contract is being performed, as to whether the contractor, bidder, or other entity and its subcontractors are complying with the requirements of this subdivision.

(B) If the contractor, bidder, or other entity fails to provide the monthly report required by this section, or provides a report that is incomplete, the local agency shall withhold further payments until a complete report is provided.

(C) If a monthly report does not demonstrate compliance with this chapter, the local agency shall withhold further payments until the contractor, bidder, or other entity provides a plan to achieve substantial compliance with this article, with respect to the relevant apprenticeable occupation, prior to completion of the contract or project.



(D) A monthly report provided to the public agency or other awarding body shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and shall be open to public inspection.

(6) This subdivision shall not apply if the contractor, bidder, or other entity has entered into a project labor agreement that will bind itself and all its subcontractors who perform construction work on the project, and the contractor, bidder, or other entity agrees to be bound by the project agreement.

(d) The local agency shall make the list of prequalified entities available to the public.

(e) Based on the documents prepared as described in subdivision (a), the local agency shall prepare a request for bids that invites prequalified or short-listed entities to submit competitive sealed bids in the manner prescribed by the local agency. The request for bids shall include, but need not be limited to, all of the following elements:

(1) Identification of the basic scope and needs of the project or contract, the estimated cost to perform the work being requested, the methodology that will be used by the local agency to evaluate bids, whether the contract will be awarded on the basis of best value or to the lowest responsible bidder, and any other information deemed necessary by the local agency to inform interested parties of the contracting opportunity.

(2) Significant factors that the local agency reasonably expects to consider in evaluating bids, including, but not limited to, cost or price and all non-price-related factors.

(3) The relative importance or the weight assigned to each of the factors identified in the request for bids.

(4) If a best value selection method is used, the local agency may reserve the right to request bid revisions and hold discussions and negotiations with responsive bidders, in which case the local agency shall so specify in the request for bids and shall publish separately or incorporate into the request for bids applicable procedures to be observed by the local agency to ensure that any discussions or negotiations are conducted in good faith.

(f) For those projects utilizing low bid as the final selection method, the competitive bidding process shall, if appropriate for the delivery method, result in lump-sum bids by the prequalified or short-listed entities, and awards shall be made to the bidder that is the lowest responsible bidder.

(g) For those projects utilizing best value as a selection method, the competition shall progress as follows:

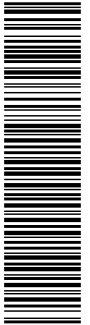
(1) Competitive bids shall be evaluated by using only the criteria and selection procedures specifically identified in the request for bids. The following minimum factors, however, shall be included, if applicable to the delivery method and weighted as deemed appropriate by the local agency:

(A) Price, unless a stipulated sum is specified and including financial and bonding capacity requirements.

(B) Technical design, procurement, and construction expertise.

(C) Proposed construction approach, sequencing, and methods.

(D) Compliance with the requirements of the owner-provided performance specification.



(E) Ability to meet the milestone schedule dates and, if applicable, any liquidated damages.

(F) Ability to meet the quality requirements.

(G) Proposed risk allocation and sharing.

(H) Safety record.

(I) Warranty.

(J) Life-cycle costs over 15 or more years as specified by the local agency.

(2) Pursuant to subdivision (e), the local agency may hold discussions or negotiations with responsive bidders using the process articulated in the local agency's request for bids.

(3) When the evaluation is complete, the responsive bidders shall be ranked based on a determination of value provided by the local agency if no more than three bidders are required to be ranked.

(4) The award of the contract shall be made to the responsible bidder whose bid is determined by the local agency to have offered the best value to the public.

(5) Notwithstanding any provision of the Water Code, upon issuance of a contract award the local agency shall publicly announce its award, identifying the bidder to which the award is made, along with a statement regarding the basis of the award.

(6) The statement regarding the local agency's contract award, described in paragraph (5), and the contract file shall provide sufficient information to satisfy an external audit.

SEC. 81. Section 14302.5 of the Public Resources Code is amended to read:

14302.5. (a) The corps shall collaborate with the Department of Veterans Affairs and the ~~Employment Development Department~~ Department of Better Jobs and Higher Wages to assist any corpsmember who is a veteran of the United States Armed Forces in obtaining employment after participating in the corps program.

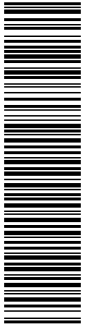
(b) Collaboration efforts by the Department of Veterans Affairs shall include, but not be limited to, providing access to veterans supportive services. Collaboration efforts by the ~~Employment Development Department~~ Department of Better Jobs and Higher Wages shall include, but not be limited to, providing access to workforce services.

SEC. 82. Section 25943 of the Public Resources Code is amended to read:

25943. (a) (1) By March 1, 2010, the commission shall establish a regulatory proceeding to develop and implement a comprehensive program to achieve greater energy savings in California's existing residential and nonresidential building stock. This program shall comprise a complementary portfolio of techniques, applications, and practices that will achieve greater energy efficiency in existing residential and nonresidential structures that fall significantly below the current standards in Title 24 of the California Code of Regulations, as determined by the commission.

(2) The comprehensive program may include, but need not be limited to, a broad range of energy assessments, building benchmarking, energy rating, cost-effective energy efficiency improvements, public and private sector energy efficiency financing options, public outreach and education efforts, and green workforce training.

(3) The commission shall adopt, implement, and enforce a responsible contractor policy for use across all ratepayer-funded energy efficiency programs that involve installation or maintenance, or both installation and maintenance, by building contractors



to ensure that retrofits meet high-quality performance standards and reduce energy savings lost or foregone due to poor-quality workmanship.

(4) The commission, in consultation with the Public Utilities Commission, shall establish consumer protection guidelines for energy efficiency products and services.

(b) To develop and implement the program specified in subdivision (a), the commission shall do both of the following:

(1) Coordinate with the Public Utilities Commission and consult with representatives from the Bureau of Real Estate, the Department of Housing and Community Development, investor-owned and publicly owned utilities, local governments, real estate licensees, commercial and homebuilders, commercial property owners, small businesses, mortgage lenders, financial institutions, home appraisers, inspectors, energy rating organizations, consumer groups, environmental and environmental justice groups, and other entities the commission deems appropriate.

(2) Hold at least three public hearings in geographically diverse locations throughout the state.

(c) In developing the requirements for the program specified in subdivision (a), the commission shall consider all of the following:

(1) The amount of annual and peak energy savings, greenhouse gas emission reductions, and projected customer utility bill savings that will accrue from the program.

(2) The most cost-effective means and reasonable timeframes to achieve the goals of the program.

(3) The various climatic zones within the state.

(4) An appropriate method to inform and educate the public about the need for, benefits of, and environmental impacts of, the comprehensive energy efficiency program.

(5) The most effective way to report the energy assessment results and the corresponding energy efficiency improvements to the owner of the residential or nonresidential building, including, among other things, the following:

(A) Prioritizing the identified energy efficiency improvements.

(B) The payback period or cost-effectiveness of each improvement identified.

(C) The various incentives, loans, grants, and rebates offered to finance the improvements.

(D) Available financing options including all of the following:

(i) Mortgages or sales agreement components.

(ii) On-bill financing.

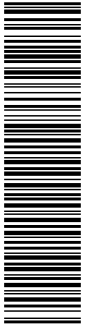
(iii) Contractual property tax assessments.

(iv) Home warranties.

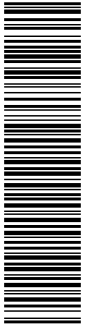
(6) Existing statutory and regulatory requirements to achieve energy efficiency savings and greenhouse gas emission reductions.

(7) A broad range of implementation approaches, including both utility and nonutility administration of energy efficiency programs, especially the use of not-for-profit and community-based organizations that assist with deployment in disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

(8) Workforce development and job training for residents in disadvantaged communities, including veterans, at-risk youth, and members of the state and local community conservation corps.



- (9) Any other considerations deemed appropriate by the commission.
- (d) The program developed pursuant to this section shall do all of the following:
- (1) Minimize the overall costs of establishing and implementing the comprehensive energy efficiency program requirements.
- (2) Ensure, for residential buildings, that the energy efficiency assessments, ratings, or improvements do not unreasonably or unnecessarily affect the home purchasing process or the ability of individuals to rent housing. A transfer of property subject to the program implemented pursuant to this section shall not be invalidated solely because of the failure of a person to comply with a provision of the program.
- (3) Ensure, for nonresidential buildings, that the energy improvements do not have an undue economic impact on California businesses.
- (4) Determine, for residential buildings, the appropriateness of the Home Energy Rating System (HERS) program to support the goals of this section and whether there are a sufficient number of HERS-certified raters available to meet the program requirements.
- (5) Determine, for nonresidential structures, the availability of an appropriate cost-effective energy efficiency assessment system and whether there are a sufficient number of certified raters or auditors available to meet the program requirements.
- (6) Coordinate with the ~~California Workforce Investment Board, the Employment Training Panel, Department of Better Jobs and Higher Wages,~~ the California Community Colleges, and other entities to ensure a qualified, well-trained workforce is available to implement the program requirements.
- (7) Promote greater project penetration in disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code, including the deployment of energy efficiency surveys and audits, energy efficiency retrofits and upgrades, weatherization, and followup project inspections by state-certified community conservation corps and other community-based workforce development organizations that serve residents of disadvantaged communities, including veterans and disadvantaged youth.
- (8) Coordinate with, and avoid duplication of, existing proceedings of the Public Utilities Commission and programs administered by utilities.
- (e) A home energy rating or energy assessment service does not meet the requirements of this section unless the service has been certified by the commission to be in compliance with the program criteria developed pursuant to this section and is in conformity with other applicable elements of the program.
- (f) (1) The commission shall periodically update the criteria and adopt any revision that, in its judgment, is necessary to improve or refine program requirements after receiving public input.
- (2) On or before January 1, 2017, and at least once every three years thereafter, the commission shall adopt an update to the program in furtherance of achieving a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers by January 1, 2030.
- (g) Before implementing an element of the program developed pursuant to subdivision (a) that requires the expansion of statutory authority of the commission or the Public Utilities Commission, the commission and the Public Utilities Commission shall obtain legislative approval for the expansion of their authorities.



(h) The commission shall report on the status of the program in the integrated energy policy report pursuant to Section 25302.

(i) The commission shall fund activities undertaken pursuant to this section from the Federal Trust Fund consistent with the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) or other sources of nonstate funds available to the commission for the purposes of this section.

(j) For purposes of this section, the following terms mean the following:

(1) "Energy assessment" means a determination of an energy user's energy consumption level, relative efficiency compared to other users, and opportunities to achieve greater efficiency or improve energy resource utilization.

(2) "Energy efficiency" means delivering equal or more services with less energy input from an energy source.

SEC. 83. Section 26227.2 of the Public Resources Code is amended to read:

26227.2. (a) Commencing with the 2018–19 fiscal year, the Clean Energy Job Creation Program is hereby established for the purpose of funding projects described in paragraph (1) or (2) of subdivision (a) of Section 26205 that create jobs in California improving energy efficiency and expanding clean energy generation.

(b) All of the following criteria shall apply to the Clean Energy Job Creation Program:

(1) Project selection and oversight shall be managed by, and funds shall be appropriated only to, existing state and local government agencies with established expertise in managing energy projects and programs.

(2) All projects shall be selected based on in-state job creation and energy benefits for each project type.

(3) All projects shall be cost effective with the total benefits being greater than the costs of the project over time. Project selection may, in addition to energy benefits, include consideration of nonenergy benefits, such as health and safety.

(4) All projects shall require contracts that identify the project specifications, costs, and projected energy savings.

(5) All projects shall be subject to audit.

(6) Program overhead costs, including administrative costs incurred by the Energy Commission, shall not exceed 4 percent of the total funding.

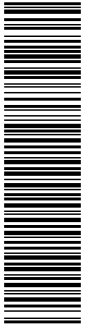
(7) Agencies administering the program shall coordinate with the Energy Commission and the Public Utilities Commission to avoid duplication and to maximize leverage of existing energy efficiency and clean energy efforts.

(8) Eligible expenditures include expenditures associated with technical assistance and with reducing project costs and delays, including the development and implementation of processes that reduce the costs of design, permitting or financing, or other barriers to project completion and job creation.

(c) Commencing with the 2018–19 fiscal year, funds appropriated in the annual Budget Act or another statute for the Clean Energy Job Creation Program shall be available as follows:

(1) Eleven percent of the funds shall be available to community college districts, to be allocated by the Chancellor of the California Community Colleges at ~~his or her~~ their discretion for program purposes.

(2) (A) The remaining moneys shall be allocated to local educational agencies as follows:



(i) Ten percent shall be for local educational agencies with an average daily attendance of not more than 1,000.

(ii) Ten percent shall be for local educational agencies with an average daily attendance of more than 1,000 and not more than 2,000.

(iii) Eighty percent shall be for local educational agencies with an average daily attendance of more than 2,000.

(B) The Energy Commission may adjust the funding allocations specified in subparagraph (A) and may add additional categories based on average daily attendance to further the purposes of this section.

(C) The Energy Commission in allocating grants to local educational agencies pursuant to this section shall give priority based on the following:

(i) The local educational agency's percentage of students eligible for free or reduced-price meals in the prior year.

(ii) Geographic diversity that ensures urban, suburban, and rural local educational agencies receive grants and ensures the awarding of grant funding in all regions of the state.

(iii) Workforce needs of the areas in which the local educational agencies are located, as determined by the California Workforce ~~Investment~~ Development Board and the local workforce ~~investment~~ development boards.

(d) A local educational agency that receives moneys pursuant to this section shall encumber those moneys within nine months of allocation.

(e) For purposes of this section, a "local educational agency" means a school district, county office of education, charter school, or state special school.

SEC. 84. Section 26230 of the Public Resources Code is amended to read:

26230. (a) The sum of three million dollars (\$3,000,000) is hereby appropriated from the Job Creation Fund to the California Workforce ~~Investment~~ Development Board to develop and implement a competitive grant program for eligible community-based and other training workforce organizations preparing disadvantaged youth or veterans for employment.

(b) In developing and implementing the program, the board shall do all of the following:

(1) In consultation with the Energy Commission and the Public Utilities Commission, develop a competitive process to award grants to eligible entities and evaluate and select applications for grants.

(2) Administer grants to eligible entities for the purposes of work experience and job training on energy efficiency and clean energy projects.

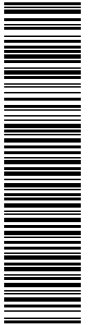
(c) In awarding the grants, the California Workforce ~~Investment~~ Development Board shall give priority to projects that include the following elements:

(1) Specific skills gained through hands-on application related to energy efficiency and clean energy that is embedded in, or linked to, a broader occupational training program.

(2) Actual work experience gained through hands-on clean energy project implementation.

(3) Industry-recognized credentials and certificates.

(4) Training that demonstrates a high probability of placement of trainees into career track jobs.



(5) A partnership with state-approved apprenticeship programs that promote industry-recognized skills and credentials through work experience and lead to placement in a state-approved apprenticeship programs.

SEC. 85. Section 26235 of the Public Resources Code is amended to read:

26235. (a) The Energy Commission, in consultation with the Superintendent of Public Instruction, the Chancellor of the California Community Colleges, and the Public Utilities Commission, shall establish guidelines for the following:

(1) Standard methods for estimating energy benefits, including reasonable assumptions for current and future costs of energy, and guidelines to compute the cost of energy saved as a result of implementing eligible projects funded by this chapter.

(2) Contractor qualifications, licensing, and certifications appropriate for the work to be performed, provided that the Energy Commission shall not create any new qualification, license, or certification pursuant to this subparagraph.

(3) Project evaluation, including the following:

(A) Benchmarks or energy rating systems to select best candidate facilities.

(B) Use of energy surveys or audits to inform project opportunities, costs, and savings.

(C) Sequencing of facility improvements.

(D) Methodologies for cost-effectiveness determination.

(4) To ensure that adequate energy audit, measurement, and verification procedures are employed to ensure that energy savings and greenhouse gas emissions reductions occur as a result of any funding provided pursuant to this section. The Energy Commission shall develop a simple preinstallation verification form that includes project description, estimated energy savings, expected number of jobs created, current energy usage, and costs. The Energy Commission may develop benchmarking and other innovative facility evaluation systems in coordination with the University of California.

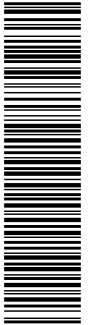
(5) Achievement of the maximum feasible energy efficiency or clean energy benefits, as well as job creation benefits for Californians, resulting from projects implemented pursuant to this chapter.

(6) Where applicable, ensuring LEAs assist classified school employees with training and information to better understand how they can support and maximize the achievement of energy savings envisioned by the funded project.

(b) The Energy Commission shall allow the use of data analytics of energy usage data, where possible, in the energy auditing, evaluation, inventorying, measuring, and verification of projects. To ensure quality of results, data analytics providers shall have received prior technical validation by the Energy Commission, a local utility, or the Public Utilities Commission.

(c) A community college district or LEA shall not use a sole source process to award funds pursuant to this chapter. A community college district or LEA may use the best value criteria as defined in paragraph (1) of subdivision (c) of Section 20133 of the Public Contract Code to award funds pursuant to this chapter.

(d) The Energy Commission shall adopt the guidelines in accordance with this section at a publicly noticed meeting and provide an opportunity for public comment. The Energy Commission shall provide written public notice of a meeting at least 30 days prior to the meeting.



(1) For substantive revision of the guidelines, the Energy Commission shall provide written notice of a meeting at least 15 days prior to the meeting at which the revision is to be considered or adopted.

(2) The adoption or revision of guidelines pursuant to this division is exempt from Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(e) Each participating LEA shall prioritize the eligible projects within its jurisdiction taking into consideration, as applicable, at least the following factors:

(1) The age of the school facilities, as well as any plans to close or demolish the facilities.

(2) The proportion of pupils eligible for funds under Title I of the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) at particular schoolsites.

(3) Whether the facilities have been recently modernized.

(4) The facilities' hours of operation, including whether the facilities are operated on a year-round basis.

(5) The school's energy intensity as determined from an energy rating or benchmark system such as the United States Environmental Protection Agency's Energy Star system or other acceptable benchmarking approach that may be available from local utilities, the American Society for Heating, Refrigerating, and Air-Conditioning Engineers, Inc., or reputable building analysis software as is appropriate to the size, budget, and expertise available to the school.

(6) The estimated financial return of each project's investment over the expected lifecycle of the project, in terms of net present value and return on investment.

(7) Each project's potential for energy demand reduction.

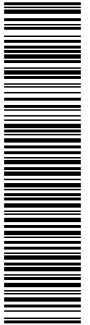
(8) The anticipated health and safety improvements or other nonenergy benefits for each project.

(9) The individual or collective project's ability to facilitate matriculation of local residents into state-certified apprenticeship programs.

(10) The expected number of trainees and direct full-time employees likely to be engaged for each LEA's annual funding commitments based upon a formula to be made available by the Energy Commission or California Workforce ~~Investment~~ Development Board. The formula shall be stated as labor-intensities per total project dollar expended, and may differentiate by type of improvement, equipment, or building trade involved.

(11) The ability of the project to enhance workforce development and employment opportunities, utilize members of the California Conservation Corps, certified local conservation corps, Youth Build, veterans, Green Partnership Academies, nonprofit organizations, high school career technical academies, high school regional occupational programs, or state-certified apprenticeship programs, or to accommodate learning opportunities for school pupils or at-risk youth in the community.

(f) The Superintendent of Public Instruction shall not distribute funds to an LEA unless the LEA has submitted to the Energy Commission, and the Energy Commission has approved, an expenditure plan that outlines the energy projects to be funded. An LEA shall utilize a simple form expenditure plan developed by the Energy Commission. The Energy Commission shall promptly review the plan to ensure that it meets the criteria specified in this section and in the guidelines developed by the Energy



Commission. A portion of the funds may be distributed to an LEA upon request for energy audits and other plan development activities prior to submission of the plan.

(g) This section shall not affect the eligibility of any eligible entity awarded a grant pursuant to this section to receive other incentives available from federal, state, and local government, or from public utilities or other sources, or to leverage the grant from this section with any other incentive.

(h) Any limitation of funds awarded to individual projects pursuant to this chapter shall not preclude or otherwise limit the total amount of funds that a recipient LEA or community college may otherwise be eligible to receive as a result of identifying multiple projects that meet the overall objectives and criteria described in this chapter.

(i) For a school facility that is not publicly owned, an LEA receiving moneys pursuant to this chapter for a project for that facility shall require that the school repay to the state all moneys received from the Job Creation Fund for the project if the school voluntarily vacates the facility within five years of project completion. The facility owner shall repay to the state all moneys received from the Job Creation Fund for the project if the school was forced to vacate the facility within the life of the project completion. All benefits of these public funds should be received by the school utilizing the facility.

(j) It is the intent of the Legislature that monetary savings at eligible institutions from retrofit and installation projects pursuant to this section be used to benefit students and learning at those institutions.

SEC. 86. Section 26240 of the Public Resources Code is amended to read:

26240. (a) To later quantify the costs and benefits of funded projects, an entity that receives funds from the Job Creation Fund or pursuant to subdivision (c) of Section 26227.2 shall authorize its local electric and gas utilities to provide 12 months of past and ongoing usage and billing records at the school facility site level to the Energy Commission.

(b) As a condition of receiving funds from the Job Creation Fund or pursuant to subdivision (c) of Section 26227.2, not sooner than one year but no later than 15 months after an entity completes its first eligible project with a grant, loan, or other assistance from the Job Creation Fund or pursuant to subdivision (c) of Section 26227.2, the entity shall submit a report of its project expenditures to the Citizens Oversight Board created pursuant to Chapter 3 (commencing with Section 26210). To the extent practical, this report shall also contain information on any of the following:

(1) The total final gross project cost before deducting any incentives or other grants and the percentage of total project cost derived from the Job Creation Fund or pursuant to subdivision (c) of Section 26227.2.

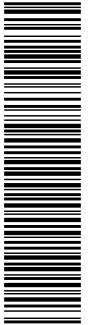
(2) The estimated amount of energy saved, accompanied by specified energy consumption and utility bill cost data for the individual facility where the project is located, in a format to be specified by the Energy Commission.

(3) The nameplate rating of new clean energy generation installed.

(4) The number of trainees.

(5) The number of direct full-time equivalent employees and the average number of months or years of utilization of each of these employees.

(6) The amount of time between awarding of the financial assistance and the completion of the project or training activities.



(7) The entity's energy intensity before and after project completion, as determined from an energy rating or benchmark system, to be determined by the Energy Commission, such as the United States Environmental Protection Agency's Energy Star system or other acceptable benchmarking approach that may be available from local utilities, the American Society for Heating, Refrigerating, and Air-Conditioning Engineers, Inc., or a publicly available building analysis software as is appropriate to the size, budget, and expertise available to the school.

(c) If an LEA completes more than one project, the required information for a second and any subsequent project shall be submitted no later than the first full quarter following project completion.

(d) To minimize the calculation burden on LEAs, the Energy Commission shall develop a method to utilize the data submitted by each recipient LEA in its project reports, such as utility consumption data, building operating characteristics, and other information, to calculate for each project, LEA, or the state as a whole the actual or estimated energy and cost savings. This method shall include a means to combine gas and electric savings into a combined cost of saved energy factor and to report on other economic and investment performance metrics. The Energy Commission shall prepare an annual summary of the expenditures, energy savings, effective cost of saved energy or return on investment, and employment effects of each year's completed projects, and shall provide this report to the Citizens Oversight Board.

(e) The California Workforce ~~Investment Development~~ Board, in consultation with the Energy Commission, shall utilize the reports filed with the Citizens Oversight Board to quantify total employment affiliated with funded projects, as well as to estimate new trainee, apprentice, or full-time jobs resulting from Job Creation Fund activity or from funds appropriated pursuant to subdivision (c) of Section 26227.2. The California Workforce ~~Investment Development~~ Board shall prepare a report with this information annually and submit it to the Citizens Oversight Board.

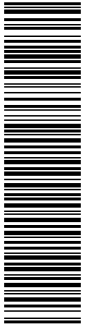
(f) The Citizens Oversight Board shall report the information it receives pursuant to subdivisions (a) to (e), inclusive, to the Legislature as part of its responsibilities pursuant to subdivision (d) of Section 26210. The Citizens Oversight Board's report shall be submitted annually and posted on a publicly accessible ~~Internet Web site~~ internet website.

(g) Funding provided to LEAs pursuant to this chapter is subject to annual audits required by Section 41020 of the Education Code. Funding provided to community college districts pursuant to this chapter is subject to annual audits required by Section 84040 of the Education Code.

(h) (1) The Superintendent of Public Instruction shall require local educational agencies to pay back funds if they are not used in accordance with state statute or regulations, if a project is torn down or remodeled, or if the property is deemed to be surplus and sold prior to the payback of the project.

(2) The Chancellor of the California Community Colleges shall require a community college to pay back funds if they are not used in accordance with state statute or regulations, if a project is torn down or remodeled, or if the property is deemed to be surplus and sold prior to the payback of the project.

SEC. 87. Section 202 of the Revenue and Taxation Code is amended to read:



202. (a) The exemption of the following property is as specified in subdivisions (a), (b), (d), and (h) of Section 3 of Article XIII of the Constitution, except as otherwise provided in subdivision (a) of Section 11 thereof:

- (1) Growing crops.
- (2) Property used for free public libraries and free museums.
- (3) Property used exclusively for public schools, community colleges, state colleges, and state universities, including the University of California.
- (4) Property belonging to this state, a county, or a city. Property belonging to the State Compensation Insurance Fund is not property belonging to this state.
- (b) (1) The exemption described in paragraph (3) of subdivision (a) shall apply to off-campus facilities owned or leased by an apprenticeship program sponsor, if such facilities are used exclusively by the public schools for classes of related and supplemental instruction for apprentices or trainees which are conducted by the public schools under Chapter 4 (commencing with Section 3070) of Division 3 Part 4 (commencing with Section 9500) of Division 6 of the Labor Code.

(2) The exemption described in paragraph (3) of subdivision (a) shall apply to an interest in property, including a possessory interest as defined in Section 107, belonging to the state, a county, a city, a school district, a community college district, or any combination thereof, that is used to provide rental housing for employees of one or more public school districts or community college districts.

(c) Without prejudice to the right to assert an exemption otherwise available under subdivision (a), (d), or (e) of Section 3 of Article XIII of the Constitution, a property tax under this division shall be imposed upon that portion of the bookstore property determined to be generating the unrelated business taxable income, as defined in Section 512 of the Internal Revenue Code, to the extent property is:

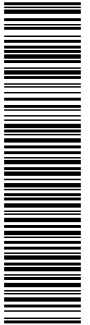
- (1) Owned by an educational institution of collegiate grade or used by a nonprofit corporation operating a student bookstore affiliated with such an educational institution, and
- (2) Is primarily devoted to bookstore use that produces income that is taxable as unrelated business taxable income.

This tax shall be determined by establishing a ratio of the unrelated business taxable income to the bookstore's gross income as defined by the Internal Revenue Code. That percent shall be the maximum percentage of such bookstore property on which a property tax can be levied.

At the end of a fiscal year when unrelated business income has been generated, the nonprofit organization shall file with the assessor copies of the organization's most recent tax return filed with the Internal Revenue Service.

SEC. 88. Section 2038 of the Streets and Highways Code is amended to read:

2038. (a) The California Workforce Development Board shall develop guidelines for public agencies receiving Road Maintenance and Rehabilitation Account funds to participate in, invest in, or partner with, new or existing preapprenticeship training programs established pursuant to subdivision (e) of Section ~~14230~~ 9344 of the ~~Unemployment Insurance~~ Labor Code. The department and local agencies that receive Road Maintenance and Rehabilitation Account funds pursuant to this chapter shall, not later than July 1, 2023, follow the guidelines set forth by the board. The board shall also establish a preapprenticeship development and training grant program, beginning January 1, 2019, pursuant to subdivision (e) of Section ~~14230~~ 9344 of the



Unemployment Insurance Labor Code. Local public agencies that receive Road Maintenance and Rehabilitation Account funds pursuant to this chapter are eligible to compete for such grants and may apply in partnership with other agencies and entities, including those with existing preapprenticeship programs. Successful grant applicants shall, to the extent feasible:

(1) Follow the multicraft core curriculum implemented by the State Department of Education for its pilot project with the California Partnership Academies and by the California Workforce Development Board and local workforce development boards.

(2) Include a plan for outreach to and retention of women participants in the preapprenticeship program to help increase the representation of women in the building and construction trades.

(3) Include a plan for outreach to and retention of minority participants and underrepresented subgroups in the preapprenticeship program to help increase their representation in the building and construction trades.

(4) Include a plan for outreach to and retention of disadvantaged youth participants in the preapprenticeship program to help increase their employment opportunities in the building and construction trades.

(5) Include a plan for outreach to individuals in the local labor market area and to formerly incarcerated individuals to provide pathways to employment and training.

(6) Coordinate with local state-approved apprenticeship programs, local building trade councils, and to the extent possible the California Conservation Corps and certified community conservation corps, so individuals who have completed these programs have a pathway to continued employment.

(b) As a condition of receiving a grant, grantees shall collect demographic data from participants and shall report this data to the California Workforce Development Board. The California Workforce Development Board shall provide technical assistance to grantees on the manner in which to collect this data. The California Workforce Development Board shall annually report this demographic data to the Legislature, detailing the racial, ethnic, and gender makeup of participants in the grant programs. This report shall include demographic data on participation, completion, and placement.

SEC. 89. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director shall permit the use of any information in the director's possession to the extent necessary for any of the following purposes, and may require reimbursement for all direct costs incurred in providing any and all information specified in this section, except information specified in subdivisions (a) to (e), inclusive:

(a) To enable the director or the director's representative to carry out their responsibilities under this code.

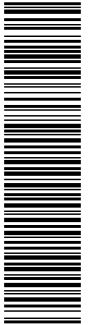
(b) To properly present a claim for benefits.

(c) To acquaint a worker or their authorized agent with the worker's existing or prospective right to benefits.

(d) To furnish an employer or their authorized agent with information to enable the employer to fully discharge their obligations or safeguard their rights under this division or Division 3 (commencing with Section 9000).

(e) To enable an employer to receive a reduction in contribution rate.

(f) To enable federal, state, or local governmental departments or agencies, subject to federal law, to verify or determine the eligibility or entitlement of an applicant



for, or a recipient of, public social services provided pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the verification or determination is directly connected with, and limited to, the administration of public social services.

(g) To enable county administrators of general relief or assistance, or their representatives, to determine entitlement to locally provided general relief or assistance, when the determination is directly connected with, and limited to, the administration of general relief or assistance.

(h) To enable state or local governmental departments or agencies to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, relief provided under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code or to enable the collection of expenditures for medical assistance services pursuant to Part 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code.

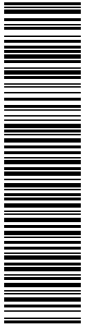
(i) To provide any law enforcement agency with the name, address, telephone number, birth date, social security number, physical description, and names and addresses of present and past employers, of any victim, suspect, missing person, potential witness, or person for whom a felony arrest warrant has been issued, when a request for this information is made by any investigator or peace officer as defined by Sections 830.1 and 830.2 of the Penal Code, or by any federal law enforcement officer to whom the Attorney General has delegated authority to enforce federal search warrants, as defined under Sections 60.2 and 60.3 of Title 28 of the Code of Federal Regulations, as amended, and when the requesting officer has been designated by the head of the law enforcement agency and requests this information in the course of and as a part of an investigation into the commission of a crime when there is a reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the law enforcement agency that employs the person, for filing under the normal procedures of that agency.

(1) This subdivision shall not be construed to authorize the release to any law enforcement agency of a general list identifying individuals applying for or receiving benefits.

(2) The department shall maintain records pursuant to this subdivision only for periods required under regulations or statutes enacted for the administration of its programs.

(3) This subdivision shall not be construed as limiting the information provided to law enforcement agencies to that pertaining only to applicants for, or recipients of, benefits.

(4) The department shall notify all applicants for benefits that release of confidential information from their records will not be protected should there be a felony arrest warrant issued against the applicant or in the event of an investigation by a law enforcement agency into the commission of a felony.



(j) To provide public employee retirement systems in California with information relating to the earnings of any person who has applied for or is receiving a disability income, disability allowance, or disability retirement allowance, from a public employee retirement system. The earnings information shall be released only upon written request from the governing board specifying that the person has applied for or is receiving a disability allowance or disability retirement allowance from its retirement system. The request may be made by the chief executive officer of the system or by an employee of the system so authorized and identified by name and title by the chief executive officer in writing.

(k) To enable the Division of Labor Standards Enforcement in the Department of Industrial Relations to seek criminal, civil, or administrative remedies in connection with the failure to pay, or the unlawful payment of, wages pursuant to Chapter 1 (commencing with Section 200) of Part 1 of Division 2 of, and Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of, the Labor Code.

(l) To enable federal, state, or local governmental departments or agencies to administer child support enforcement programs under Part D of Title IV of the federal Social Security Act (42 U.S.C. Sec. 651 et seq.).

(m) To provide federal, state, or local governmental departments or agencies with wage and claim information in its possession that will assist those departments and agencies in the administration of the Victims of Crime Program or in the location of victims of crime who, by state mandate or court order, are entitled to restitution that has been or can be recovered.

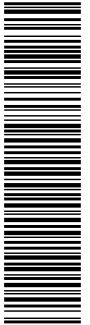
(n) To provide federal, state, or local governmental departments or agencies with information concerning any individuals who are or have been:

(1) Directed by state mandate or court order to pay restitution, fines, penalties, assessments, or fees as a result of a violation of law.

(2) Delinquent or in default on guaranteed student loans or who owe repayment of funds received through other financial assistance programs administered by those agencies. The information released by the director for the purposes of this paragraph shall not include unemployment insurance benefit information.

(o) To provide an authorized governmental agency with any and all relevant information that relates to any specific workers' compensation insurance fraud investigation. The information shall be provided to the extent permitted by federal law and regulations. For purposes of this subdivision, "authorized governmental agency" means the district attorney of any county, the office of the Attorney General, the Contractors' State License Board, the Department of Industrial Relations, and the Department of Insurance. An authorized governmental agency may disclose this information to the State Bar of California, the Medical Board of California, or any other licensing board or department whose licensee is the subject of a workers' compensation insurance fraud investigation. This subdivision shall not prevent any authorized governmental agency from reporting to any board or department the suspected misconduct of any licensee of that body.

(p) To enable the Director of Consumer Affairs, or the director's representative, to access unemployment insurance quarterly wage data on a case-by-case basis to verify information on school administrators, school staff, and students provided by those schools who are being investigated for possible violations of Chapter 8



(commencing with Section 94800) of Part 59 of Division 10 of Title 3 of the Education Code.

(q) To provide employment tax information to the tax officials of Mexico, if a reciprocal agreement exists. For purposes of this subdivision, "reciprocal agreement" means a formal agreement to exchange information between national taxing officials of Mexico and taxing authorities of the State Board of Equalization, the Franchise Tax Board, and the Employment Development Department. Furthermore, the reciprocal agreement shall be limited to the exchange of information that is essential for tax administration purposes only. Taxing authorities of the State of California shall be granted tax information only on California residents. Taxing authorities of Mexico shall be granted tax information only on Mexican nationals.

(r) To enable city and county planning agencies to develop economic forecasts for planning purposes. The information shall be limited to businesses within the jurisdiction of the city or county whose planning agency is requesting the information, and shall not include information regarding individual employees.

(s) To provide the State Department of Developmental Services with wage and employer information that will assist in the collection of moneys owed by the recipient, parent, or any other legally liable individual for services and supports provided pursuant to Chapter 9 (commencing with Section 4775) of Division 4.5 of, and Chapter 2 (commencing with Section 7200) and Chapter 3 (commencing with Section 7500) of Division 7 of, the Welfare and Institutions Code.

(t) To provide the State Board of Equalization with employment tax information that will assist in the administration of tax programs. The information shall be limited to the exchange of employment tax information essential for tax administration purposes to the extent permitted by federal law and regulations.

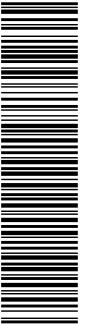
(u) This section shall not be construed to authorize or permit the use of information obtained in the administration of this code by any private collection agency.

(v) The disclosure of the name and address of an individual or business entity that was issued an assessment that included penalties under Section 1128 or 1128.1 shall not be in violation of Section 1094 if the assessment is final. The disclosure may also include any of the following:

- (1) The total amount of the assessment.
- (2) The amount of the penalty imposed under Section 1128 or 1128.1 that is included in the assessment.
- (3) The facts that resulted in the charging of the penalty under Section 1128 or 1128.1.

(w) To enable the Contractors' State License Board to verify the employment history of an individual applying for licensure pursuant to Section 7068 of the Business and Professions Code.

(x) To provide any peace officer with the Division of Investigation in the Department of Consumer Affairs information pursuant to subdivision (i) when the requesting peace officer has been designated by the chief of the Division of Investigation and requests this information in the course of and as part of an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.



(y) To enable the Labor Commissioner of the Division of Labor Standards Enforcement in the Department of Industrial Relations to identify, pursuant to Section 90.3 of the Labor Code, unlawfully uninsured employers. The information shall be provided to the extent permitted by federal law and regulations.

(z) To enable the Chancellor of the California Community Colleges, in accordance with the requirements of Section 84754.5 of the Education Code, to obtain quarterly wage data, commencing January 1, 1993, on students who have attended one or more community colleges, to assess the impact of education on the employment and earnings of students, to conduct the annual evaluation of district-level and individual college performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(aa) To enable the Public Employees' Retirement System to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, benefits provided under Part 3 (commencing with Section 20000) of Division 5 of Title 2 of the Government Code.

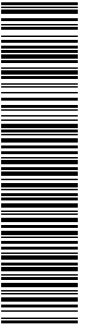
(ab) To enable the State Department of Education, the University of California, the California State University, and the Chancellor of the California Community Colleges, pursuant to the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of district-level and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(ac) To provide the Agricultural Labor Relations Board with employee, wage, and employer information, for use in the investigation or enforcement of the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 (Part 3.5 (commencing with Section 1140) of Division 2 of the Labor Code). The information shall be provided to the extent permitted by federal statutes and regulations.

(ad) (1) To enable the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies to obtain information regarding employee wages, California employer names and account numbers, employer reports of wages and number of employees, and disability insurance and unemployment insurance claim information, for the purpose of:

(A) Verifying or determining the eligibility of an applicant for, or a recipient of, state health subsidy programs, limited to the Medi-Cal program provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, and the Medi-Cal Access Program provided pursuant to Chapter 2 (commencing with Section 15810) of Part 3.3 of Division 9 of the Welfare and Institutions Code, when the verification or determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this subparagraph.

(B) Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided



pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), when the verification or determination is directly connected with, and limited to, the administration of the California Health Benefit Exchange.

(C) Verifying or determining the eligibility of employees and employers for health coverage through the Small Business Health Options Program, provided pursuant to Section 100502 of the Government Code, when the verification or determination is directly connected with, and limited to, the administration of the Small Business Health Options Program.

(2) The information provided under this subdivision shall be subject to the requirements of, and provided to the extent permitted by, federal law and regulations, including Part 603 of Title 20 of the Code of Federal Regulations.

(ae) To provide any peace officer with the Investigations Division of the Department of Motor Vehicles with information pursuant to subdivision (i), when the requesting peace officer has been designated by the Chief of the Investigations Division and requests this information in the course of, and as part of, an investigation into identity theft, counterfeiting, document fraud, or consumer fraud, and there is reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence regarding the identity theft, counterfeiting, document fraud, or consumer fraud. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the Investigations Division of the Department of Motor Vehicles, for filing under the normal procedures of that division.

(af) Until January 1, 2020, to enable the Department of Finance to prepare and submit the report required by Section 13084 of the Government Code that identifies all employers in California that employ 100 or more employees who receive benefits from the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code). The information used for this purpose shall be limited to information obtained pursuant to Section 11026.5 of the Welfare and Institutions Code and from the administration of personal income tax wage withholding pursuant to Division 6 (commencing with Section 13000) and the disability insurance program and may be disclosed to the Department of Finance only for the purpose of preparing and submitting the report and only to the extent not prohibited by federal law.

(ag) To provide, to the extent permitted by federal law and regulations, the Student Aid Commission with wage information in order to verify the employment status of an individual applying for a Cal Grant C award pursuant to subdivision (c) of Section 69439 of the Education Code.

(ah) To enable the Department of Corrections and Rehabilitation to obtain quarterly wage data of former inmates who have been incarcerated within the prison system in order to assess the impact of rehabilitation services or the lack of these services on the employment and earnings of these former inmates. Quarterly data for a former inmate's employment status and wage history shall be provided for a period



of one year, three years, and five years following release. The data shall only be used for the purpose of tracking outcomes for former inmates in order to assess the effectiveness of rehabilitation strategies on the wages and employment histories of those formerly incarcerated. The information shall be provided to the department to the extent not prohibited by federal law.

(ai) To enable federal, state, or local government departments or agencies, or their contracted agencies, subject to federal law, including the confidentiality, disclosure, and other requirements set forth in Part 603 of Title 20 of the Code of Federal Regulations, to evaluate, research, or forecast the effectiveness of public social services programs administered pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of Chapter 7 of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the evaluation, research, or forecast is directly connected with, and limited to, the administration of the public social services programs.

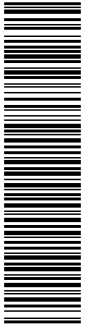
(aj) (1) To enable the California Workforce Development Board, the Chancellor of the California Community Colleges, the Superintendent of Public Instruction, the Department of Rehabilitation, the State Department of Social Services, the Bureau for Private Postsecondary Education, the Department of Industrial Relations, the Division of Apprenticeship Standards, the Department of Corrections and Rehabilitation, the Prison Industry Authority, the Employment Training Panel, and a chief elected official, as that term is defined in Section 3102(9) of Title 29 of the United States Code, to access any relevant quarterly wage data necessary for the evaluation and reporting of their respective program performance outcomes as required and permitted by various local, state, and federal laws pertaining to performance measurement and program evaluation under the federal Workforce Innovation and Opportunity Act (Public Law 113-128); the workforce metrics dashboard pursuant to paragraph (1) of subdivision (i) of Section 14013; the Adult Education Block Grant Program consortia performance metrics pursuant to Section 84920 of the Education Code; the economic and workforce development program performance measures pursuant to Section 88650 of the Education Code; and the California Community Colleges Economic and Workforce Development Program performance measures established in Part 52.5 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code. Disclosures under this subdivision shall comply with federal and state privacy laws that require the informed consent from program participants of city and county departments or agencies that administer public workforce development programs for the evaluation, research, or forecast of their programs regardless of local, state, or federal funding source.

(2) The department shall do all of the following:

(A) Consistent with this subdivision, develop the minimum requirements for granting a request for disclosure of information authorized by this subdivision regardless of local, state, or federal funding source.

(B) Develop a standard application for submitting a request for disclosure of information authorized by this subdivision.

(C) Approve or deny a request for disclosure of information authorized by this subdivision, or request additional information, within 20 business days of receiving the standard application. The entity submitting the application shall respond to any request by the department for additional information within 20 business days of receipt of the department's request. Within 30 calendar days of receiving any additional



information, the department shall provide a final approval or denial of the request for disclosure of information authorized by this subdivision. Any approval, denial, or request for additional information shall be in writing. Denials shall identify the reason or category of reasons for the denial.

(D) Make publicly available on the department's internet website all of the following:

(i) The minimum requirements for granting a request for disclosure of information authorized by this subdivision, as developed pursuant to subparagraph (A).

(ii) The standard application developed pursuant to subparagraph (B).

(iii) The timeframe for information request determinations by the department, as specified in subparagraph (C).

(iv) Contact information for assistance with requests for disclosures of information authorized by this subdivision.

(v) Any denials for requests of disclosure of information authorized by this subdivision, including the reason or category of reasons for the denial.

(ak) (1) To provide any peace officer with the Enforcement Branch of the Department of Insurance with both of the following:

(A) Information provided pursuant to subdivision (i) that relates to a specific insurance fraud investigation involving automobile insurance fraud, life insurance and annuity fraud, property and casualty insurance fraud, and organized automobile insurance fraud. That information shall be provided when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

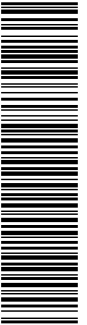
(B) Employee, wage, employer, and state disability insurance claim information that relates to a specific insurance fraud investigation involving health or disability insurance fraud when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(2) To enable the State Department of Developmental Services to obtain quarterly wage data of consumers served by that department for the purposes of monitoring and evaluating employment outcomes to determine the effectiveness of the Employment First Policy, established pursuant to Section 4869 of the Welfare and Institutions Code.

(3) The information provided pursuant to this subdivision shall be provided to the extent permitted by federal statutes and regulations.

(al) To provide the CalSavers Retirement Savings Board with employer tax information for use in the administration of, and to facilitate compliance with, the CalSavers Retirement Savings Trust Act (Title 21 of the Government Code). The information should be limited to the tax information the director deems appropriate, and shall be provided to the extent permitted by federal laws and regulations.

(am) (1) To enable the Joint Enforcement Strike Force as established by Section 329, and the Labor Enforcement Task Force, as established pursuant to Assembly Bill



1464 of the 2011–12 Regular Session (Chapter 21 of the Statutes of 2012), to carry out their duties.

(2) To provide an agency listed in subdivision (a) of Section 329 intelligence, data, including confidential tax and fee information, documents, information, complaints, or lead referrals pursuant to Section 15925 of the Government Code.

(an) To enable the Bureau for Private Postsecondary Education to access and use any relevant quarterly wage data necessary to perform the labor market outcome reporting data match pursuant to Section 94892.6 of the Education Code. The information provided pursuant to this subdivision shall be provided to the extent permitted by state and federal laws and regulations.

(ao) To provide the Department of Better Jobs and Higher Wages with relevant tax, wage, and benefit data necessary to administer the workforce development, apprenticeship, and labor market information programs pursuant to Division 6 (commencing with Section 9200) of the Labor Code. The information shall be provided to the extent permitted by federal statutes and regulations.

SEC. 90. Section 1269 of the Unemployment Insurance Code is amended to read:

1269. A determination of automatic eligibility for benefits under this article shall be issued to an unemployed individual if the director finds that any of the following applies:

(a) The training is authorized by the federal Workforce Innovation and Opportunity Act (Public Law 113-128) or by the Employment Training Panel established pursuant to ~~Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3. Part 3 (commencing with Section 9400) of Division 6 of the Labor Code.~~

(b) The training is authorized by the federal Trade Act of 1974 (19 U.S.C. Sec. 2101 et seq.), as amended, pursuant to a certified petition.

(c) The individual is a participant in the California Work Opportunity and Responsibility to Kids (CalWORKs) program pursuant to Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, and has entered into a contract with the county welfare department to participate in an education or training program.

(d) (1) The individual is a participant in training with a provider that is certified and on the state's Eligible Training Provider List (ETPL), as authorized by the federal Workforce Innovation and Opportunity Act (Public Law 113-128), or the individual is a permanent or probationary public school teacher who is a participant in a credential preparation program or training program approved or accredited by the Commission on Teacher Credentialing for additional certification in math, science, or special education, for kindergarten and grades 1 to 12, inclusive, and was laid off. The credential preparation program or training program shall only be approved if a permanent or probationary public school teacher enrolls in the training within three years of being laid off from the public school employer.

(2) The changes made to this subdivision by Chapter 278 of the Statutes of 2012, shall become operative on January 1, 2014.

(e) The individual is a journey level member of a union or trade association, or is a participant in training sponsored by an employer, and the training or retraining course of instruction is industry-related training necessary due to changes in technology, or industry demands, or is necessary to retain employment or to become more



competitive in obtaining employment, or the individual is a participant in a state or federally approved apprenticeship program.

SEC. 91. Division 3 (commencing with Section 9000) of the Unemployment Insurance Code is repealed.

SEC. 92. Section 14000 of the Unemployment Insurance Code is repealed.

~~14000. (a) The Legislature finds and declares that, in order for California to remain prosperous and globally competitive, it needs to have a well-educated and highly skilled workforce.~~

~~(b) The Legislature finds and declares that the following principles shall guide the state's workforce investment system:~~

~~(1) Workforce investment programs and services shall be responsive to the needs of employers, workers, and students by accomplishing the following:~~

~~(A) Preparing California's students and workers with the skills necessary to successfully compete in the global economy.~~

~~(B) Producing greater numbers of individuals who obtain industry-recognized certificates and career-oriented degrees in competitive and emerging industry sectors and filling critical labor market skills gaps.~~

~~(C) Adapting to rapidly changing local and regional labor markets as specific workforce skill requirements change over time.~~

~~(D) Preparing workers for good-paying jobs that foster economic security and upward mobility.~~

~~(E) Aligning employment programs, resources, and planning efforts regionally around industry sectors that drive regional employment to connect services and training directly to jobs.~~

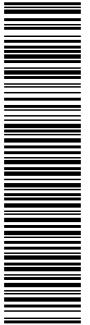
~~(2) State and local workforce development boards are encouraged to collaborate with other public and private institutions, including businesses, unions, nonprofit organizations, kindergarten and grades 1 to 12, inclusive, career technical education programs, adult career technical education and basic skills programs, apprenticeships, community college career technical education and basic skills programs, entrepreneurship training programs, where appropriate, the California Community Colleges Economic and Workforce Development Program, the Employment Training Panel, and county-based social and employment services, to better align resources across workforce, training, education, and social service delivery systems and build a well-articulated workforce investment system by accomplishing the following:~~

~~(A) Adopting local and regional training and education strategies which include workplace-based earn and learn programs that build on the strengths and fill the gaps in the education and workforce development pipeline in order to address the needs of job seekers, workers, and employers within regional labor markets by supporting sector strategies.~~

~~(B) Leveraging resources across education and workforce training delivery systems to build career pathways and fill critical skills gaps.~~

~~(3) Workforce investment programs and services shall be data driven and evidence based when setting priorities, investing resources, and adopting practices.~~

~~(4) Workforce investment programs and services shall develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, and program evaluation.~~



~~(A) Workforce investment programs and services shall encourage industry involvement by developing strong partnerships with an industry's employers and the unions that represent the industry's workers.~~

~~(B) Workforce investment programs and services may consider the needs of employers and businesses of all sizes, including large, medium, small, and microenterprises, when setting priorities, investing resources, and adopting practices.~~

~~(5) Workforce investment programs and services shall be outcome oriented and accountable, measuring results for program participants, including, but not limited to, outcomes related to program completion, employment, and earnings.~~

~~(6) Programs and services shall be accessible to employers, the self-employed, workers, and students who may benefit from their operation, including individuals with employment barriers, such as persons with economic, physical, or other barriers to employment.~~

SEC. 93. Section 14002 of the Unemployment Insurance Code is repealed.

~~14002. (a) The Legislature finds and declares that screening designed to detect unidentified disabilities, including learning disabilities, improves workforce preparation and enhances the use of employment and training resources.~~

~~(b) Section 134(c)(2) of the federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3174(c)(2)) allows for the use of funds for initial assessment of skill levels, aptitudes, abilities, and support services, including, when appropriate, comprehensive and specialized assessments of skill levels and service needs, including, but not limited to, diagnostic testing and the use of other assessment tools and in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.~~

~~(c) The Legislature encourages one-stop career centers to maximize the use of Workforce Innovation and Opportunity Act resources and other federal and state workforce development resources for screening designed to detect unidentified disabilities, and if indicated, appropriate diagnostic assessment.~~

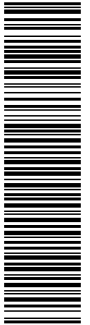
SEC. 94. Section 14003 of the Unemployment Insurance Code is repealed.

~~14003. (a) Grants or contracts awarded under the federal Workforce Innovation and Opportunity Act, codified in Chapter 32 (commencing with Section 3101) of Title 29 of the United States Code, or any other state or federally funded workforce development program, may not be awarded to organizations that are owned or operated as pervasively sectarian organizations.~~

~~(b) Grants or contracts awarded under the federal Workforce Innovation and Opportunity Act, codified in Chapter 32 (commencing with Section 3101) of Title 29 of the United States Code, or any other state or federally funded workforce development program, shall comply with Section 4 of Article I and Section 5 of Article XVI of the California Constitution, state and federal civil rights laws, and the First Amendment to the United States Constitution in regard to pervasively sectarian organizations. These legal constraints include prohibitions on the discrimination against beneficiaries and staff based on protected categories and on the promoting of religious doctrine to advance sectarian beliefs.~~

SEC. 95. Section 14004 of the Unemployment Insurance Code is repealed.

~~14004. To be eligible for state or federal workforce development funds awarded by the state under the California Community and Faith Based Initiative, an organization~~



~~must be a separate nonprofit entity or affiliate that is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.~~

SEC. 96. Chapter 2 (commencing with Section 14005) of Division 7 of the Unemployment Insurance Code is repealed.

SEC. 97. Article 1 (commencing with Section 14010) of Chapter 3 of Division 7 of the Unemployment Insurance Code is repealed.

SEC. 98. Article 2 (commencing with Section 14020) of Chapter 3 of Division 7 of the Unemployment Insurance Code is repealed.

SEC. 99. Section 14030 of the Unemployment Insurance Code is repealed.

14030. ~~As used in this article, "Breaking Barriers to Employment Initiative" or "initiative" means the Breaking Barriers to Employment Initiative established in this article.~~

SEC. 100. Section 14031 of the Unemployment Insurance Code is repealed.

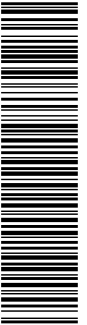
14031. ~~(a) All efforts funded under this initiative are intended to supplement and be aligned with the broader workforce and education system in the State of California. The initiative is not intended to duplicate or replicate existing programs or to create new workforce and education programs, but rather to provide supplemental funding and services to ensure the success of individuals either preparing to enter or already enrolled in workforce and education programs operating under the policy vision of this division and the state plan under this division.~~

~~(b) The primary purpose of the initiative is to provide individuals with barriers to employment the services they need to enter, participate in, and complete broader workforce preparation, training, and education programs aligned with regional labor market needs. Those who complete these programs should have the skills and competencies necessary to successfully enter the labor market, retain employment, and earn wages that lead to self-sufficiency, and eventually, economic security.~~

~~(c) The distinguishing characteristic of the initiative is the manner in which services will be delivered at the local and regional level. Under the initiative, services shall be delivered principally through a collaborative partnership between mission-driven, community-based organizations with experience in providing services consistent with the objectives of this initiative and to the populations specified, which may include, but are not limited to, faith-based, business-based, labor-based, cultural-based, and services-based organizations, and local workforce development boards to strengthen the America's Job Center of California system. The role of the community-based organizations shall be to use their expertise in working with targeted populations and employers to ensure that individuals from these targeted populations receive the necessary supplemental, supportive, remedial, and wrap-around services they need to successfully enter, participate in, and complete workforce and education programs and enter, be retained, and advance in the labor market. The role of local workforce development boards is to ensure a connection between community-based organizations and the America's Job Center of California system to integrate individuals served by community-based organizations under this initiative into the education system and broader workforce for employment.~~

SEC. 101. Section 14032 of the Unemployment Insurance Code is repealed.

14032. ~~(a) Funding for the initiative shall be subject to appropriation by the Legislature, but only for the purposes expressed in this article, and shall not draw from, supplant, or redirect existing state or federally funded education, workforce, or~~



employment services programs, except that those funds may, but shall not be required to, be used as leverage with initiative funds.

(b) Implementation of the initiative shall be contingent upon the California Workforce Development Board notifying the Department of Finance that sufficient moneys have been appropriated by the Legislature for this purpose.

(c) The California Workforce Development Board shall develop criteria for the selection of grant recipients that include, but are not limited to, all of the following:

(1) Outreach and technical assistance shall be provided to prospective applicants, especially in rural and small population areas.

(2) Grants shall be awarded on a competitive basis.

(3) The initiative shall include provisions to ensure that a range of targeted populations and geographic locations receive grants.

(4) Applications shall explain the community-based organization's capacity to provide services to relevant target populations and provide evidence of this capacity.

(5) Each grant proposal shall be consistent with the purposes of the initiative.

(d) Each application shall, at a minimum, include all of the following:

(1) The designation of at least one lead workforce development board and one lead mission-driven, community-based organization with experience in providing services consistent with the objectives of this initiative and to the populations specified, which may include, but is not limited to, faith-based, business-based, labor-based, cultural-based, and services-based organizations. Documentation shall be included to demonstrate that each lead workforce development board and lead community-based organization has agreed to be the lead designation in the grant proposal.

(2) The designation of one or more targeted populations that will be served by the grant.

(3) The designation of a service area, which may include one or more neighborhoods, local jurisdictions, regions, or statewide. A grant proposal that proposes to serve clients across one or more workforce development areas shall include a commitment to notify each workforce development board in the proposed service area.

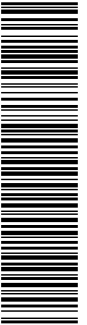
(4) An explanation of the specific purpose of the grant funds, the roles and responsibilities of each of the lead workforce development boards and community-based organizations, and a discussion of how funds will be used, the number of individuals who will be served, and the services provided to these individuals.

(5) A description of how the grant proposal is designed to complement the work of, and integrate the individuals being served with, the broader workforce, education, and employment system within the proposed service area, and evidence that the proposal incorporates innovative strategies or proven practices for service delivery that will lead to improved outcomes, sustainability, and systems improvement.

(6) A grant application may be submitted jointly by a lead workforce development board and a lead community-based organization or jointly by one or more lead workforce development boards and one or more lead community-based organizations.

SEC. 102. Section 14033 of the Unemployment Insurance Code is repealed.

14033. (a) The purpose of the initiative shall be to provide individuals with barriers to employment the services they need to enter, participate in, and complete broader workforce preparation, training and education programs, and, ultimately, to obtain employment. Special emphasis shall be given to applications that integrate



individuals from target populations into career pathway programs aligned with regional labor market needs.

(b) Grants shall be evaluated using the following criteria:

(1) Ability to provide the services proposed in the grant to the number of individuals specified in the grant as evidenced by, among other things, whether the grantee completed the work proposed.

(2) Ability of individuals to successfully complete relevant programming funded under the grant as demonstrated by relevant measures directly related to the purpose of the program.

(3) Ability of individuals to transition into or be integrated into the broader workforce and education system as evidenced by enrollment in relevant programs.

(4) Ability of individuals to succeed in both the broader workforce and education system and labor market once they transition into the broader system. This shall be measured by tracking these individuals utilizing the existing performance monitoring systems and metrics governing relevant programs and outcomes once they transition into the broader system.

(c) Grant applicants shall provide all necessary information to local workforce development boards and the California Workforce Development Board to facilitate grant performance evaluation.

(d) Grant applicants may be required to participate in technical assistance activities, including, but not limited to, the convening of communities of practice to identify and help replicate evidence-based practices and to help facilitate an assessment and evaluation of grant performance and initiative success.

SEC. 103. Section 14034 of the Unemployment Insurance Code is repealed.

14034. Populations eligible to be served by grants include, but are not limited to, all of the following:

(a) Youths who are disconnected from the education system or employment.

(b) Women seeking training or education to move into nontraditional fields of employment.

(c) Displaced workers and long-term unemployed.

(d) Unskilled or underskilled, low-wage workers.

(e) Persons for whom English is not their primary language.

(f) Economically disadvantaged persons.

(g) CalWORKs participants.

(h) Persons who are incarcerated and soon to be released or formerly incarcerated.

(i) Armed services veterans.

(j) Native Americans.

(k) Migrants or seasonal farmworkers.

(l) Persons with developmental or other disabilities.

(m) Any other population with barriers to employment identified in subdivision (j) of Section 14005.

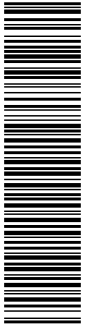
(n) Immigrants.

(o) Persons over 50 years of age who need retraining for in-demand skills.

SEC. 104. Section 14035 of the Unemployment Insurance Code is repealed.

14035. Eligible activities for initiative and grant funds shall include, but are not limited to, all of the following:

(a) English language improvement training.



(b) ~~Basic skills and adult education.~~
(c) ~~High school diploma and GED acquisition.~~
(d) ~~Skills and vocational training that aligns with regional labor market needs identified as part of the California Workforce Innovation and Opportunity Act regional planning process.~~

(e) ~~Work experience.~~
(f) ~~On-the-job training.~~
(g) ~~Stipends for trainees.~~
(h) ~~Earn and learn training.~~
(i) ~~Industry certifications.~~
(j) ~~Preapprenticeship programming offered in a manner that is consistent with the requirements of Section 14230, regardless of whether the preapprenticeship program funding source includes California Workforce Innovation and Opportunity Act funds.~~

(k) ~~Mentoring.~~
(l) ~~Other remedial education and work readiness skills.~~
(m) ~~Supportive services under the California Workforce Innovation and Opportunity Act.~~

(n) ~~Activities undertaken pursuant to subdivision (d) of Section 14033.~~

SEC. 105. Section 14036 of the Unemployment Insurance Code is repealed.

~~14036. The California Workforce Development Board may develop necessary policies to ensure that grants awarded under the initiative fund are activities that are consistent with the intent of this article.~~

SEC. 106. Section 14038 of the Unemployment Insurance Code is repealed.

~~14038. All criteria, guidelines, and policies developed by the California Workforce Development Board for the administration of the initiative shall be exempt from the rulemaking provisions of the Administrative Procedures Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).~~

SEC. 107. Article 4 (commencing with Section 14040) of Chapter 3 of Division 7 of the Unemployment Insurance Code is repealed.

SEC. 108. Article 5 (commencing with Section 14100) of Chapter 3 of Division 7 of the Unemployment Insurance Code is repealed.

SEC. 109. Chapter 4 (commencing with Section 14200) of Division 7 of the Unemployment Insurance Code is repealed.

SEC. 110. Chapter 5 (commencing with Section 14500) of Division 7 of the Unemployment Insurance Code is repealed.

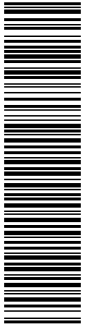
SEC. 111. Division 8 (commencing with Section 15000) of the Unemployment Insurance Code is repealed.

SEC. 112. Division 9 (commencing with Section 17000) of the Unemployment Insurance Code is repealed.

SEC. 113. Division 10 (commencing with Section 18000) of the Unemployment Insurance Code is repealed.

SEC. 114. Section 18901.11 of the Welfare and Institutions Code is amended to read:

18901.11. (a) For purposes of Section 273.5(b)(11)(ii) of Title 7 of the Code of Federal Regulations, an educational program that could be a component of a CalFresh E&T program described in Section 18926.5, as identified by the department, shall be



considered an employment and training program under Section 273.7 of Title 7 of the Code of Federal Regulations, unless prohibited by federal law.

(b) The department shall, in consultation with representatives of the office of the Chancellor of the California Community Colleges, the office of the Chancellor of the California State University, University of California Chancellors' offices, the ~~California Workforce Investment Board~~, Department of Better Jobs and Higher Wages, county human services agencies, and advocates for students and clients, establish a protocol to identify and verify all potential exemptions to the eligibility rule described in Section 273.5(a) of Title 7 of the Code of Federal Regulations, and to identify and verify participation in educational programs, including, but not necessarily limited to, self-initiated placements, that would exempt a student from the eligibility rule described in Section 273.5(a) of Title 7 of the Code of Federal Regulations. To the extent possible, this consultation shall take place through existing workgroups convened by the department.

(c) The department shall maintain and regularly update the list of programs identified by the workgroup established pursuant to subdivision (b) because they meet the standard set in Section 273.5(b)(11) of Title 7 of the Code of Federal Regulations, which provides that a student is eligible for an exemption from the CalFresh program's eligibility rules if the student's attendance can be described as part of a program to increase the student's employability.

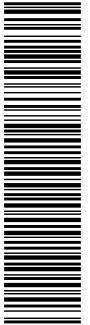
(d) (1) The department shall issue and maintain instructions for county human services agencies to verify exemptions to the CalFresh student eligibility rules for students who participate in the programs identified pursuant to subdivision (c), students who are approved and anticipate participating in state or federal workstudy, or students who meet one of the qualifications for exemptions set forth in Section 69519.3 of the Education Code.

(2) The department shall, on or before January 1, 2021, and in consultation with representatives of the office of the Chancellor of the California Community Colleges, the office of the Chancellor of the California State University, University of California Chancellors' offices, and county human services agencies, create a standardized form to be used by community colleges and universities to verify that a student is approved and anticipating participation in state or federal workstudy for the purpose of assisting county human services agencies in determining the student's potential eligibility for CalFresh. To the extent practicable, community colleges and universities shall distribute the form to all students approved for state or federal workstudy.

(3) For purposes of this subdivision, and to the extent allowed by federal law, a student shall be considered to be "anticipating participation" in workstudy if the student can reasonably expect or foresee being assigned a workstudy job, and a student shall be deemed to be "anticipating participation" in workstudy until the student receives notice from the institution of higher education that the student has been denied participation in workstudy.

(e) (1) This section does not require a county human services agency to offer a particular component, support services, or workers' compensation to a student found eligible for an exemption pursuant to this section.

(2) This section does not restrict or require the use of federal funds for the financing of CalFresh E&T programs.



(3) Except for the information required to complete the form specified in paragraph (2) of subdivision (d), this section does not require a college or university to provide a student with information necessary to verify eligibility for CalFresh.

SEC. 115. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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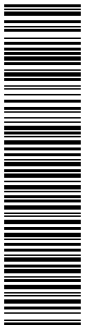
Bill No.
as introduced, _____.
General Subject: Department of Better Jobs and Higher Wages.

(1) Existing law establishes, among other agencies, the Labor and Workforce Development Agency, which consists of, among other entities, the California Workforce Development Board; the Department of Industrial Relations, which in turn includes, among others, the California Apprenticeship Council and the Interagency Advisory Committee on Apprenticeship; and the Employment Development Department, which in turn includes the Employment Training Panel.

Existing law, known as the California Workforce Innovation and Opportunity Act, makes programs and services available to individuals with employment barriers and requires the California Workforce Development Board to assist the Governor in the development, oversight, and continuous improvement of California's workforce investment system and the alignment of the education and workforce investment systems to the needs of the 21st century economy and workforce. Existing law prescribes the functions and duties of the Employment Training Panel with respect to certain employment training programs. Existing law provides for apprenticeship programs within the Division of Apprenticeship Standards within the Department of Industrial Relations, sponsored by specific entities and employers, and requires the Chief of the Division of Apprenticeship Standards to perform various functions with respect to apprenticeship programs and the welfare of apprentices.

This bill would establish the Department of Better Jobs and Higher Wages in the Labor and Workforce Development Agency for the purpose of providing the foundation needed to be responsive to changing needs of our economy and workforce by integrating policy development and workforce innovation with existing employment and training programs located within the Labor and Workforce Development Agency. The bill would establish the California Workforce Development Board, the Division of Apprenticeship Standards, the California Apprenticeship Council, the Interagency Advisory Committee on Apprenticeship, and the Employment Training Panel within the department. The bill would require that the department be conducted under the control of an executive officer, known as the Director of Better Jobs and Higher Wages, appointed by the Governor and subject to the advice and consent of the Senate. The bill would authorize the director to, among other things, administer the requirements of federal and state workforce programs, as provided. The bill would provide for the transfer of various powers, functions, and employees and officers in the state civil service with respect to the above-described state entities to the Department of Better Jobs and Higher Wages.

(2) Existing law authorizes the Board of Governors of the California Community Colleges to establish internship training programs and support apprenticeship, preapprenticeship, and other on-the-job training programs in collaboration with the Division of Apprenticeship Standards of the Department of Industrial Relations and



provides for the manner of reimbursement for community colleges offering apprenticeship courses, as specified.

This bill would make conforming changes to those provisions by authorizing the establishment of those programs in collaboration with the Division of Apprenticeship Standards of the Department of Better Jobs and Higher Wages. To the extent the bill would impose new duties on community college districts, the bill would impose a state-mandated local program.

(3) Existing law requires the Director of Employment Development to permit the use of any information in their possession for, among other purposes, providing state employment and tax agencies with employer tax, wage, and benefits information.

This bill would require the director to also permit the use of any information in their possession to provide the Department of Better Jobs and Higher Wages with relevant tax, wage, and benefits data necessary to administer workforce development, apprenticeship, and labor market information programs, as specified.

(4) This bill would make various conforming changes with respect to the establishment of the Department of Better Jobs and Higher Wages and the transfer of the above-described state entities and functions to that department.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

